

The New York Times

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*The Ways of Other Countries  
With Their Banks and  
Bankers*

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Published weekly at New York, N. Y., re-  
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ADOLPH S. OCHS, Publisher.  
October 1, 1912.  
Sworn and subscribed to before me this  
10th day of June, 1913.

JOSEPH F. MACDONALD.  
[Seal.]  
(My commission expires March 30, 1914.)

On January 20, 1913, The New  
York Times Weekly Financial  
Quotation Review was succeeded  
by The New York Times Annalist.

APRIL 1, 1913.

## STATEMENT OF THE OWNERSHIP AND MANAGEMENT, &C. OF THE NEW YORK TIMES ANNALIST.

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ADOLPH S. OCHS, Publisher.  
April 1, 1913.  
Sworn and subscribed to before me this  
17th day of June, 1913.

JOSEPH F. MACDONALD.  
[Seal.]  
(My commission expires March 30, 1914.)

## DIVIDENDS DECLARED, AWAITING PAYMENT

STEAM RAILROADS.			
Company.	Divi- dend.	Pay- able.	Books Close.
Ala. Gt. So. pf.3	—	Aug. 28	July 19
Albany & Sus. 4½	S	July 1	June 14
Alle. & West. 3	S	July 1	*June 20
A. T. & S. F. pf.2½	S	Aug. 1	*June 30
Atl. Coast Line	—	July 10	June 19
B. & O. 3½	—	July 1	June 23
Beech Creek 1	Q	July 1	*June 23
Belt R. R. & St.	—	July 1	—
B. & O. 3½	—	July 1	—
Boston & Alb. 2½	Q	June 30	*May 31
Boston & Low. 4	—	July 2	May 24
Boston, R. B. &	—	July 1	*June 14
Braz. Ry. pf. 1½	Q	July 7	June 30
Can. Pacific 2½	Q	Aug. 1	May 31
Canada South. 1½	S	Aug. 1	*June 27
C. C. & St. 1½	Q	July 21	June 27
Cent. of N. J. 2	Q	Aug. 1	July 18
Chicago North. 1½	Q	July 1	*June 2
Chic. Nor. pf. 2	Q	July 1	*June 2
Chl. R. I. & P. 1½	Q	June 30	June 13
Connecting R.	—	June 30	*June 20
Cuba R. R. 3	—	Aug. 1	*June 30
De. & Mackinac	—	July 1	June 15
Del. & W. 2½	Q	July 21	July 7
Elmira & Wm-	—	July 1	June 20
Elmira & Wp.	—	July 1	June 20
Elm. & M. So. 8	—	Aug. 1	*June 27
Georgia R. R. &	—	July 1	*June 30
Granite 3	Q	July 15	July 1
Gt. North. pf. 1½	Q	Aug. 1	*June 10
Har. Ports, Mt.	—	July 10	*June 20
J. & Lan. 3½	S	July 10	*June 20
Lehigh Valley	—	July 10	*June 20
Illinois Central	—	July 1	June 11
Interbor. R. T. 2½	Q	July 1	*June 23
Joliet & Ch. 1½	Q	July 7	June 20
Kan. & Mich. 2½	—	June 30	May 31
Kan. & Mich. 1	Ex	June 30	May 31
K. City So. pf. 1	Q	July 15	*June 30
Lackawanna R.	—	July 1	*June 9
Lehigh Valley	—	July 12	June 28
Little Schuylkill	—	July 15	June 10
N. R. R. & C. 1½	S	Aug. 9	July 18
Lykens Valley	—	July 1	*June 15
R. R. & Coal. 2	—	Aug. 1	*June 15
Mahon. C. R. R. 8½	—	Aug. 1	*June 15
Mah. C. R. R. pf. 1½	—	July 1	*June 20
Maine Central. 1½	—	July 1	*June 16
Manhattan Ry. 1½	Q	July 1	*June 16
Michigan Cent. 3	S	July 20	*June 27
Mine Hill &	—	July 15	June 19
Sch. Haven. 1½	—	June 27	*June 21
Mobile & Ohio. 4	S	July 1	June 6
Morris & Essex. 3½	Q	July 15	June 24
N. Y. Central. 1½	Q	July 15	June 24
N. Y. Chl. & St.	—	July 1	June 9
N. Y. & Harlem	—	July 1	June 13
N. Y. L. & W. 1½	Q	July 1	*June 14
N. Y. N. H. & H. 1½	Q	June 30	*June 7
N. Y. O. & W. 2	A	Aug. 30	June 30
Norfolk South. 1½	Q	July 1	June 14
Norfolk & W. 1½	Q	Sep. 19	Aug. 30
Norfolk & W. pf. 1	Q	Aug. 19	July 31
North. Cent. 2½	—	July 15	*June 30
North. R. R. of	—	July 1	*June 9
Norw. & W. pf. 2	Q	July 1	June 17
Penn. Co. 3	—	June 30	*June 20
Phil. R. & W. 1½	Q	June 30	*June 11
Phil. & Trenton. 2½	Q	July 10	June 30
P. C. & St.	—	July 25	July 15
P. C. & St. 1½	Q	July 8	June 14
P. Ft. W. & C.	—	July 1	June 14
P. Ft. W. & C. 1½	Q	July 8	June 14
P. sp. gtd. 1½	Q	July 1	June 14
Pitts. & L. E. 2½	—	Aug. 1	*July 23
Reading 1st pf. 1	Q	Aug. 14	*July 29
Reading 2d pf. 1	Sep. 11	*Aug. 20	
Reading 3d pf. 1	Q	July 10	*June 28
Rens. & Sara. 4	S	July 1	June 14
Rich. & Fred. 4	—	July 1	June 24
Rich. & Fred. 4	—	July 1	June 24
Rome & Clinton. 3½	—	July 1	June 20
St. L. R. Mt. &	—	July 1	June 20
Pac. pf. 1½	Q	June 30	June 20
St. L. & S. F.	—	July 1	June 25
M. pf. tr. cts. 1	Q	July 1	June 25

(Continued on Page 705.)



# The New York Times ANNALIST

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NEW YORK, MONDAY, JUNE 30, 1913.

IT is now fashionable to underestimate the value of the service the small banker has been able to perform in his community, under a banking system which perhaps wretchedly deserves all the criticism it receives, but which, for all that, has successfully financed in this country the most wonderful development of wealth that has taken place in the world. It is believed, for instance, that the agricultural borrower has fared badly, has paid in general too high a price for credit, and has been unable to get credit at all when he greatly needed it. But the fact stands that, agriculture, financed as it is, flourishes here as nowhere else in the world. You would look far to find an American farmer who would swap fortunes with a European peasant, whose superior credit facilities are now being studied by an American commission. Take the Bankers Directory and turn to Iowa, Minnesota, Indiana, Illinois, Nebraska, or Kansas, and see what you will find. Here is a national bank with \$150,000 of loans in a village of 750 inhabitants; another with loans of \$250,000 in a town of 1,200; another with loans of \$500,000 in a town of 1,400, and in a town of 1,800 or 2,000 two banks with aggregate loans of more than \$1,500,000. Those are not selected instances. The directory is full of them. What does it mean? Obviously those villages could not support such banks. It means literally that national banks have been set up in the wheat and corn fields to serve the farmers. The farmers support the banks and the banks finance the farmers. There is no philanthropy in it. It is fair business. It must be, as otherwise neither the bank nor its community could prosper.

THAT business is undergoing a process of liquidation is remarkably evident in the statistics of the movement of funds from the country to New York. The New York banks since the first of the year have gained more money on their transactions with the interior than in the like period of four preceding years. The comparisons are:

This year to date.....	\$236,261,000
Same period 1912.....	195,013,000
Same period 1911.....	134,454,000
Same period 1910.....	91,327,000
Same period 1909.....	101,544,000

This means that funds are being released from the uses of business and industry, partly by reason of a temporary contraction in the volume of goods exchanged, and partly by reason of the lower prices at which a great deal of business is doing. The effect is to place at the disposal of the country's principal money market liquid funds, of which a large portion is employed

in temporary financing, as in the purchase of corporation notes. So far it has been as orderly and prudent a movement of contraction as has ever been known in this country. How much of it is owing to restraint in business pending the completion of tariff revision and currency reform may be a matter of opinion.

THE stock market has apparently found the next lower level of resistance, and is reconciled to Summer dullness. How barren it is of opportunities for the speculator may be inferred from the fact that large operators are accustomed to absent themselves for weeks at a time. Traders on the Stock Exchange pull it and haul it, but such fluctuations as they produce are unimportant and may be expected to grow thinner and thinner until an eighth of 1 per cent. will be thought a day's work. In the absence of renewed foreign liquidation things might continue in this way until Autumn. Last week the fortnightly London settlement passed off smoothly. The trouble that had been prepared for did not happen, and that is the kind of trouble that seldom does.

AS there is no reason why a Stock Exchange broker should lie awake nights thinking of the thinness of his customers' margins, since he has neither stocks nor customers, he may like to hear how it happens abroad, where people trade on credit and are not accustomed to be called upon for margin money when the market breaks. On a bad day in Union Pacific recently the head of the Paris branch of a New York Stock Exchange house called up a client and asked him to send in some more money to protect his interest in that stock.

"Haven't you got my stock?" asked the client, in surprise.

The broker reassured him on that point, but explained that the price had declined suddenly, and he wished some more money on it.

"Then is your firm insolvent?" asked the French client.

DANIEL WEBSTER, whose improvidence was celebrated, when once he had succeeded with great difficulty in negotiating a new promissory note, with the proceeds of which to pay off one that had awkwardly come due, wiped his brow and exclaimed: "Thank Heaven, that debt is paid!" Nowadays a large corporation announces on the news bulletins in Wall Street that it has sold its short-term notes to pay off a floating debt, and nobody wonders.

UNDER pretense of reducing from \$4,000 to \$3,000 the amount of income to be exempt under the new tax, the Senate Committee has increased it. Starting with \$3,000 as the basis, it allows \$1,000 more to the wife with a dependent husband or to the husband with a dependent wife, and then \$500 more to either the husband or wife for each dependent child. Thus a man with a wife and four children dependent upon him might have an exemption of \$6,000. If he had ten children and a wife his exemption might be \$9,000 a year. However desirable it may seem to increase the exemption with the size of the family, any exemption which puts a majority of the people clear of the tax leaves the bill open to the objection that it defeats the ethical value of a direct tax at all. It seems that in any event the farmer will have the advantage, because in estimating his income he is never debited with his own and his family's living. One who receives a salary or subsists upon interest pays the tax first

on his gross income and supports himself and his family afterward; the farmer supports himself and his family first and pays the tax on the surplus that is over.

SINCE the St. Louis & San Francisco management beat the bankers to the court with a petition in bankruptcy, the bankers themselves have raised a question as to the propriety of the management of an insolvent property designating its receivers. Generally the bankers are consulted. Never, as one recalls, have the principal creditors been consulted. They are the bondholders. The theory of a mortgage bond is that if the property is unable to meet its interest payments the holders of the bonds upon which the first default must be made shall choose whether to take the property and provide the capital to keep it going or waive their right to do so and pass it along to the next body of bondholders. In practice that never happens. The management, knowing best what is inevitable, procures a petition in bankruptcy, to be filed by friendly creditors, and so designates the receivers. As a rule, the President of the road is named as receiver. All this happens before any default is made on the bonds. The bondholders have nothing to say. A car company with a claim of perhaps \$15,000, or a supply house with an unpaid bill of a few thousand dollars, throws the road into receivership by prearrangement, and creditors to the tune of hundreds of millions, who are the bondholders, first read it in the morning newspapers.

ONE difference between public and private ownership is a water hydrant at the corner of Broadway and Exchange Place, eighteen inches out from the corner of the Knickerbocker Trust Building, right in the middle of the narrow sidewalk, so that nobody who turns there in haste can avoid falling over it. Three feet further on is another, not in the middle of the sidewalk, but a little to one side, just in place to give a second bump to the person who has lost his balance over the first one.

For several months workmen have been engaged in tearing away the projecting fronts of buildings in the financial district, because the city has been saying to everybody, "Get back on the line." It might be only a few inches of encroachment, and, to get back, it might be necessary for a building's whole front elevation to be reconstructed, without the offending columns or other ornamental features; but that did not matter. Everybody had to get back. The people were entitled to the whole sidewalk, unencumbered. And the people have been pleased. They have liked the spirit of the city in saying to these mighty folk, "Get back." But they go on stumbling over the water hydrants at the corner of Broadway and Exchange Place. They belong to the city, or, as you please, to the people. The moral is that people do not mind falling over their own incumbrances. It is when private ownership is at fault that the row is raised.

IN his address to Congress on the need of banking and currency reform, speaking for the business men, President Wilson said:

We are about to set them free by removing the trammels of the protective tariff. \* \* \* What will it profit us to be free if we are not to have the best and most accessible instrumentalities of commerce and enterprise? What will it profit us to be quit of one kind of monopoly if we are to remain in the grip of another and more effective kind?

Does Mr. Wilson, with the Pujo Committee, believe in the existence of a Money Trust?

## Imagination

THE peculiarity of Wall Street's imagination is that it runs always on a tangent. If that were not so, a few people in the neighborhood of Trinity Church would soon have all the money in the world. When securities are high and very dear and a beautifully distended bull market is ready to be punctured by some trifling accident, the Stock Exchange man is an uncontrollable optimist. He can imagine prices going so much higher that any one who buys them with his eyes shut will be ashamed to take his profits a few months hence. Something then happens, but whatever it is he never blames his imagination. He denounces conditions. Conversely, when securities are low and cheap and the stock market is so bare of stocks that speculators who jump on it to put it down jar their teeth, then the broker sits out on the steps and warns the investor that if politicians do not stop hammering their country everybody will have to find some productive kind of work to do. Never was the Stock Exchange bearish at the top of a bull market or bullish at the end of a bear market.

In the way of keeping up appearances a broker goes out at night to dine. He looks not at the food legends but at the prices first, and when a man who is very rich comes and sits down at his table he says, as cheerfully as he can:

"Have you ever known things to be so bad?"

But the rich man, who has not lost any money in the broker's office for a great while, feels uncommonly paternal, and advises his despondent acquaintance to believe that some prosperity has yet been reserved for the present generation. The next day the broker sits down among his two surviving office customers and says:

"I met last night a man who is very prominent in affairs down here. He was not blue. He said to me: 'My son, if you will begin now to buy securities and have the patience to hold them you will make a great deal of money.'"

"Did he give you an order, though?" asks one of the clients, who is short of a good 7 per cent. railroad stock at par and is waiting to see it sell at 98½. "That would have been convincing."

"No," says the broker, "he didn't. But I'd not be convinced if he had. I have known men to give me buying orders only to mislead me, or to trick me into misleading my customers. I'm sure I don't see why this man should be so optimistic."

With that off his mind, he repairs to his back office to scan once more the salary list, and word of what he is doing is whispered among all the shuddering clerks.

That being now the habit of Stock Exchange thought, a cycle must have nearly completed itself.

Twelve years ago the Wall Street mind was on the other tangent. Bonds were selling on an income basis of 3½ per cent., and investors were advised to buy only long-term bonds, because the rate of interest had been falling for many years and would, for that reason, go on falling for many more. If one were so shortsighted as to buy bonds maturing in 1912 or 1913, one might have to reinvest the money at 2½ or even 2 per cent. Therefore he should invest it while he could at 3½ per cent. and make sure of that for the remainder of his life. Who knew? Capital might become quite worthless in time. Everybody thought that way. Investors did invest their money at 3½ per cent., and thought themselves fortunate, and the railroads funded their ma-

turing 6 and 7 per cent. bonds at that low rate.

Then the rate of interest, instead of continuing to fall, began to rise, and it has been rising ever since, until now the investor has a chance of bonds to yield over 5 per cent. But what is the present state of mind? The rate of interest has been rising, therefore it must go on rising. The investor who thinks of buying long-term bonds to yield 5 per cent. or more is advised to buy short-term securities instead, because it is likely that when the short-term issues mature he will be able to reinvest his money at higher rates still. If he puts it into long-term bonds he will be defrauding his estate. His heirs will despise his judgment.

In the equation of any great Stock Exchange movement there is a factor of momentum. A rise never stops at the line of value, but carries prices away beyond; a fall never stops at the line of value, but carries prices far below. Nobody can tell where a fall will stop, but when you can look over the Stock Exchange list and see many securities in which money will be perfectly safe and which, though they may go even lower, are sure to come back and ultimately go higher, then you may know at least that the necessity of the seller begins to be the opportunity of the buyer. When you can buy the highest class of bonds to yield 5 per cent. or more, so well protected by earnings that a decline of 20 per cent. in the income of the debtor corporation would not matter, then you have to think not whether the bond is safe but whether 5 per cent. is enough to expect with safety. When you can buy seasoned railroad stocks with long dividend records to yield 5½ to 6½ per cent., you may be sure that the buyer's loss will be less than the seller's. When you see speculators selling a 5 per cent. railroad stock below the price of a non-dividend-paying stock next to it on the quotation board, you may be sure that dividend reductions have been discounted.

A Wall Street man may admit all of this, and say: "But there is yet nothing on the bull side of the stock market. Wait until the currency legislation is out of the way, which will be not until September. Wait until we see how far the contraction in the business of the world will go. Wait at least until we are sure of crops. Wait."

One who waits for the financial horizon to be clear may find when he is ready to buy that others have not waited, and that his opportunity is gone.

It is true that there are signs of liquidation in the world. However, there are two things can never happen in parallel. Liquidation in the world's business and a further rise in the rate of interest cannot take place at the same time. Liquidation in business means primarily a fall in prices, which enables the same quantity of business to be done with less money. Funds are released—that causes a decline in the prevailing rate of interest. That is followed by a rise in bonds. The sequel to that in due time is a rise in stocks, partly because stocks, like bonds, are affected by changes in the prevailing rate of interest, and partly because stocks anticipate a greater creation of wealth at a profit. Lower prices increase capital's command over goods. Enterprise does the rest. Facilities for increasing the production of goods appear.

It is impossible definitely to say when stocks will begin to rise, other conditions having been fulfilled; only those oracles who sell their opinions at so much per month pretend to try. But it is possible to

predict with absolute certainty that Wall Street, being bearish still and heavily short of its customers' stocks, will imagine that the "big interests" have united in one desperate effort to advance prices 5 or 10 points and unload upon the public for good and all. When securities are dear again Wall Street will be bullish, the individual drinking cups will reappear in the customers' rooms, the office managers will restock their humidors and leave them unlocked, and it will be easier to buy stocks for more than they are worth, on rumors, than it is now to buy them on their intrinsic values for what they yield.

IN the strenuous nowadays a railroad President who has been forced to adopt a defensive line of conduct may never hope to overtake the rumors of his own resignation. They will multiply faster than he can deny them, and will persist until they come true. Some day Mr. Mellen, if his health does not fail, will be able to confirm the rumor that he has resigned from the New Haven Railroad.

When Judge Gary, with Mr. Morgan and a number of others, met, he said the Tennessee Coal and Iron Company was not worth more than 60 or 65, and he was not in favor of taking it at any price. I told these men that it was not a question of price, but rather whether or not they were going to help out Moore & Schley. I told Judge Gary if he could wait he could probably buy Tennessee Coal and Iron Company stock for 25 cents on the dollar, but that if he did wait I did not think the Steel Corporation would be in a position to buy any stock.—*Lewis Cass Ledyard.*

So to save the situation the United States Steel Corporation paid 119 in its 5 per cent. bonds for the common stock of the Tennessee Coal and Iron Company.

## ENTER THE SMALL INVESTOR

### Buying in Small Lots for the Strong Box Is Noted in London

*Special Correspondence of THE ANNALIST*

LONDON, June 20.—"The big man makes the crises, and the little man pulls him through them." This aphorism offered to the public by a broker with a taste for epigram, represents well enough the history of the past ten days. The semi-panic which attacked London was the work of big speculators, some German, some English, some American; and relief came to the markets through the buying orders of small investors with sense enough to know that stock paid for and taken up can lie under your pillow through the wildest panic and never disturb your slumbers. The best type of English investor is the man who places his business first and his investments second; who does not care for tips, but follows prices closely enough to know when things are really cheap. He has his own limits and thinks for example that Canadian Pacifics are worth buying when they get to 225, that Peruvian Preferences are cheap at 50 or under, that Union Pacifics are worth holding at 160. This man is never a source of weakness, but he is often a tower of strength. When the punter is beginning to feel that he cannot hold on any longer and prices look like falling to nowhere, he steps in and makes his purchases, and he often saves the situation. Last week he was certainly more responsible than anybody else for restoring tone in the Stock Exchange; his orders to buy came flowing in to the brokers' offices and it was a common experience for the stock broker to find himself with more genuine investment business than he had had for months.

This encouraging fact—the presence of the true investor—had rather been forgotten lately thanks to the flood of new issues, but we are now remembering with gratitude that the merchants and the manufacturers have four years' bumper profits tucked away somewhere, and that sooner or later they must be tempted out. Anyway we are in a more cheerful mood for the moment. \*



## Ways of Other Countries With Banks and Bankers

THE ways of other countries with the genus banker are of general present interest, owing to the criticism of the new Currency bill that it takes control of the national banking system out of the hands of the professional banker. It is a remarkable fact that in none of the great commercial countries of the world where the banking system has been centralized do bankers control the management of the central banking institution. In Canada, banking is dominated by several great joint-stock banks in the East, each of which has scores of branches; but that could not be called a centralized system. In Scotland the system is much like the one in Canada. In these instances professional bankers are in control of the banking business, subject, of course, to Government supervision.

England's great central bank is owned by private stockholders who elect the "court" that selects the Governor and his deputies. The Bank of England is the only great central bank in which the Government has no voice in management. But neither do the bankers of England have any representation in the Bank of England's "court." By an unwritten law no banker (that is, no man in any way connected with any of the other English banks) may be named as a member of the body usually called the Board of Directors. The active management of the central Bank of England is therefore singularly independent.

The Bank of France comes nearest, among all the great central banks, to control by bankers. Although its Governor and two sub-Governors, and the corresponding officers of every one of its branches, are appointees of the President of France on the approval of the Minister of Finance, and these officers select all employees, the fifteen Regents and three Censors who constitute the board are chosen by the 200 largest shareholders of the Bank. The Regents, in practice, decide on the rate of discount weekly, but the Governor presides at their meeting, and may veto any of their acts.

The Reichsbank of Germany, although its capital is owned by private shareholders, is under complete control of the Imperial Government. Its "Imperial Board" is named, for life, by the Kaiser. Its shareholders elect a Central Committee of German leaders of business and industry. A sub-committee of this body sits with the Imperial Board, which greatly appreciates and usually takes its advice, but on occasion disagrees and does as it pleases, as it has full power to do excepting in the matter of using the Reichsbank's money for State loans.

The Imperial Bank of Russia is a bureau of the Russian Department of Finance. The Austro-Hungarian Bank has its Governor appointed by the State, and he has absolute veto over all the acts of the twelve Directors chosen by the stockholders. The crown of Holland chooses the executive officers of the Bank of the Netherlands. The stockholders choose five Directors. The Dutch General Assembly elects fifteen Commissaires. In Japan, the Government selects both Executives and Directors from lists named by shareholders. In Sweden and Norway the central banks are under direct control of the Government. In Denmark the Governing Board of five members is chosen, two by the Government, three by the stockholders.

Italy has a central banking system that

is peculiarly interesting. There are three merged or colleague banks—the Bank of Naples, the Bank of Sicily, and the Bank of Italy. Each does the largest part of its business just as if it were independent, but they make loans and deposits among each other, and thus give liquidity to the supply of funds and credit as needed over all Italy. Nominally they are private banks—the Government does not own them—but they were years ago endowed, and have no stockholders. No dividends are paid; profits are accumulated. They seem to be self-perpetuating. They are practically banks of the Government, however, for it selects the Executives and two members of the Council of Administration, the other members being publicly chosen by the provincial, municipal, and commercial communities through legislative and semi-public bodies.

The relationships of all other banks to the central banks of England, France, and Germany are more or less voluntary. It is custom that compels them to use these banks as depositaries of the general banking reserve. This is particularly true in England.

### THE BANK OF ENGLAND

It is the duty of the Bank of England to maintain the gold reserves of England. The other banks in England recognize their responsibilities in co-operating with the Bank of England. It is the law of compelling tradition and public opinion that gives the Bank its position. The Bank has certain duties, notably in the management of its note circulation, that are completely described for it by Parliamentary enactments. Its officers have no discretion about these things.

In its dealings with the general financial and business situation in England, the Bank has in all loyalty carried out the responsibility of being absolutely free from the bias of pecuniary interest in its transactions. It is this loyal intention that long ago caused the Bank's stockholders to avoid having among its Directors men who would be personally interested in favoring any banking policy that would benefit particular individuals or classes of bankers. Hartley Withers says:

Custom has enacted that its Directors should never be chosen from the ranks of other bankers. They are generally taken from the merchant firms and accepting houses.

The Governor of the Bank of England extended to the National Monetary Commission in 1908 the courtesy of conferring and answering inquiries about the business and the government of the Bank. He thus described its management:

The supreme control of the affairs of the Bank rests with the Governor, Deputy Governor, and Court of twenty-four Directors, who are elected annually by the stockholders. It is customary for a Governor and Deputy Governor at the close of their first year of office to be re-elected to the same position for a further term of one year, and a Deputy Governor is usually elected to the office of Governor immediately on vacating the former position, after the completion of a two-year tenure of that appointment. The Governor, while directing the general policy of the Bank and controlling the whole of its affairs, devotes his attention more especially to the business of the head office, while the Deputy Governor concerns himself more particularly with the business of the branches and with the upkeep and maintenance of the Bank's various premises.

The Directors, in addition to attending the weekly meetings of the Court, serve on various committees of that body.

There is no legal restriction as to the class from which Directors may be selected. . . .

But in actual practice the selection has been confined to those who are or have been members of mercantile or financial houses; excluding bankers, brokers, bill discounters, or Directors of other banks operating in the United Kingdom.

The Court of Directors fixes the Bank rate at its weekly meeting, but the Governor has the power to raise the rate at any time, if conditions warrant it. Only such stockholders as have held at least £500 worth of stock for six months may vote for Directors.

### THE BANK OF FRANCE

M. Georges Pallain, Governor of the Bank of France, was associated with Leon Say in the French Ministry of Finance, and left the post of Inspector General of Customs to become the head of the French central bank. It is a joint-stock institution. In this and the other European central banks the stock is not apportioned among banks, and many small investors hold individual shares. But only the 200 largest shareholders are permitted to vote in the election of the General Council of the bank.

The annual meeting of the voting stockholders is held on the last Thursday in January. Fifteen Regents and three Censors, constituting the General Council, are then chosen. Five Regents and three Censors must be chosen from among the commercial and industrial classes. Three Regents must be "general paying treasurers."

The Governor and two sub-Governors are named by a decree of the President of France upon the proposal of the Minister of Finance. Their terms are not fixed. They are barred by law from being members of either body of the French Parliament while acting for the Bank. Managers of the branches of the Bank are named by the President of France on a report of the Minister of Finance, who makes a selection from three candidates named by the Governor. All employees are named by the Governor.

The Regents meet weekly to discuss the rate of discount. They fix the rate, but the Governor may veto any of the Regents' acts.

M. Pallain, interviewed by the National Monetary Commission on its visit to Europe, said:

No charge has ever been made that the Bank favored or aided any political party. There is never any claim that politics enters in any degree into the management of the Bank.

### HOW THE WORLD'S BIG BANKS ARE CONTROLLED

The Reichsbank is the central financial institution of Germany. Take the German credit banks, with their direct representation on the boards of big German industries, which brings about a centralization of industry and the banking required by industry, together, in a way which most Germans boast has built up German business with marvelous efficiency; take the mortgage banks, the savings institutions, and even the agricultural banking associations of which we are hearing so much at the moment—the Reichsbank is the hub of the whole wheel in which all these are parts. Through it the surplus funds and credits of any section of the empire flow to other sections that need them; also, from any one kind of industrial activity temporarily idle funds are brought for use in other kinds of activity. It is a very liquid banking system.

A few years ago the Reichsbank published an anniversary volume describing its business. Dr. F. W. C. Lieder of Harvard University translated this for the Monetary Commission. Of the management of the institution the book says:

The supervision of the Reichsbank by the empire is exercised through a council of curators

(curatorium) composed of the Chancellor of the empire, who is President, and four members, one of whom is designated by the Emperor and the other three by the Bundesrath. The direction of the Reichsbank is exercised by the Chancellor, and under him by the Reichsbank Directorate, (Directorium.) A deputy can be appointed in place of the Chancellor. The Reichsbank Directorate is the administrative and executive, and, so far as the outside world is concerned, the representative body of the Reichsbank. It consists of a President, a Vice President, (since 1887,) and the required number of members, (six,) who are appointed for life by the Emperor upon the nomination of the Bundesrath. The officers of the Reichsbank have the rights and duties of civil servants of the empire; they may not own any shares in the Bank. The accounts of the Reichsbank are audited by the Board of Accounts of the German Empire. As compared with the empire, the part taken by private shareholders in the management of the Bank is very limited.

The shareholders are represented by a Central Committee of fifteen members, of whom nine must live in Berlin. These are elected at an annual meeting at Berlin in March. The annual meeting hears the report of the administration of the bank.

The Central Committee meets once a month under the Chairmanship of the President of the Reichsbank. Its advice is asked about the bank rate and what the maximum aggregate of loans should be. The Central Committee has been made up of the leaders of German business. It is not stated whether any of these are bankers in other institutions. Three members are appointed as a sub-committee and meet regularly with the Directorate.

In general the representatives of the empire may do as they please after getting the Central Committee's advice, but they follow it pretty closely and only on rare occasions have acted contrary to it. When it comes to business transactions between the Reichsbank and the Empire or the Federal States, the Central Committee must be notified, any member of the sub-committee of three may have it postponed, and the Central Committee may veto it. The Central Committee has also veto power in connection with the purchase of securities for the bank.

The Reichsbank's book, in discussing the plan of control and its effects, says:

Through the co-operation of the Reichsbank authorities, who are not interested in the financial profits of the Bank, with the representatives of the shareholders, who are practical business men, the Bank management is safeguarded, since it takes into consideration the interest of the public; and at the same time the experience and business management of the shareholders, who are financially interested in the success of the Bank, are utilized in the guidance of the Bank. This bank organization, which strikes the mean between a purely State bank and a purely private one, has proved to be the best system according to the experience of most European countries.

#### IN COMPARISON

For the purpose of comparison, it will be convenient here to review those provisions of the Administration's Currency bill which determine how the new banking system would be controlled. The central authority would be vested in a Federal Reserve Board at Washington, "consisting," to quote from the Glass memorandum, "of seven members, including the Secretary of the Treasury, the Secretary of Agriculture, and the Controller of the Currency, as members ex-officio. Four other members are chosen by the President of the United States, by and with the advice and consent of the Senate, for a term of six years each. One of the members thus appointed by the President is to be Governor of the Federal Reserve Board, one Vice Governor, and one Secretary. Their term of office is for eight years, except that of those first appointed,

one to serve two years, one four, one six, and one eight years. At least one of the members appointed by the President is to be a person of banking experience. Thus it will be noted that the Government will have absolute control of the system."

The Federal Reserve Board would create a new class of banks, at least twelve, in suitable regions, to be known as Federal reserve banks, described by Mr. Glass as follows:

There are twelve of these Federal reserve banks, each managed by a board of nine Directors, three of whom will be expert bankers selected by the banks, three will be members selected in the same way, but required to represent the commercial, industrial, or agricultural interests of the district, and subject to removal by the Federal Reserve Board in case they do not fairly represent these interests. The remaining three Directors are to be chosen by the Federal Reserve Board, and one of them is to be designated by said board as Chairman of the Board of Directors of the Federal reserve bank of the district to which he is appointed, and is to be the agent of the Federal Reserve Board. The national banks are compelled to be stockholding members of the Federal reserve banks of their respective districts, and State banks and trust companies are permitted to be members under certain well-defined regulations. All the domestic transactions of the Federal reserve bank must be with member banks and the Government, except that it may purchase bankers' bills and bills of exchange in the open market from individuals, as well as from domestic or foreign banks.

The powers of the Federal Reserve Board over the Federal reserve banks is absolute, defined as follows:

To examine at its discretion the accounts and books of each Federal reserve bank and to require such statements and reports as it deems necessary.

To require, or on application to permit, a Federal reserve bank to rediscount the paper of any other Federal reserve bank.

To approve the rates of discount established by the Federal reserve banks.

To suspend for a period not exceeding thirty days (and to renew such suspension for periods not to exceed fifteen days) any and every reserve requirement specified in this act.

To supervise and regulate issue of Treasury notes to Federal reserve banks.

To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in the act; or to reclassify existing reserve and central reserve cities and to designate the banks therein situated as country banks at its discretion.

To require the removal of officials of Federal reserve banks for incompetency, dereliction of duty, fraud, or deceit.

To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

To suspend the further operations of any Federal reserve bank and appoint a receiver therefor.

It is above everything else clear that the pending Currency bill is original in the world.

#### AFTER SMALL FRENCH SAVINGS

#### The Government Raises the Limit in Its Postal Savings System to Coax Out Money

Special Correspondence of THE ANNALIST

PARIS, June 21.—A bill will shortly be put before Parliament to modify the savings bank regulation. The present limit of 1,500 francs for each interest-bearing account (2 per cent.) is to be increased to 10,000 francs. Moreover, the amount of red-tape formalities now inseparably connected with any operation on a savings passbook is to be very materially reduced. Thus the State, which for the past was graciously pleased to accept the deposit of small savings "to encourage thrift," has come down from its pedestal, to borrow now on a business basis, and cheaply at that, when the issuing of a 3 per cent. loan at more than 80 per cent. appears unlikely.

## Whose Railroads?

### Rights of the Public Are Not Those of Partnership and the Police Power Does Not Confer a Proprietary Interest in Earnings

THOMAS F. WOODLOCK.

THAT the public must treat railroad capital fairly if it desires to preserve the present system is what may be termed a pragmatic truth. It is evident and requires no proof. But it may help to clarify thought a little if we approach the subject in the light of other principles, and, by applying those principles, elucidate some of the questions bearing upon the main question.

For example, there are the principles which govern the respective rights of the railroad owner and of the public using the railroad. Prominent among these is the principle that the relations of the two parties in no way whatever involve a partnership between them. The public has no proprietary right in the railroads save as stockholder. It has, therefore, no proprietary interest in railroad profits. It exercises control over railroad charges by means of its "police power" in order to prevent exaction of "monopoly value" and extortion of rates which are exorbitant. The test of an exorbitant rate from the point of view of the public is clearly described by the highest authority—the United States Supreme Court—in *Smyth vs. Ames*, as follows:

On the other hand what the public is entitled to demand is that no more be exacted from it for the use of a public highway than the services are reasonably worth.

Now, this test has no necessary connection with the size of railroad profits, for these profits are not a necessary measure of the justice of rates charged. The common idea is that anything over a "fair minimum" return on railroad capital belongs to the public because it is proof positive of extortion in rates. This idea is wrong in principle. Very large railroad profits may be reasonable *prima facie* evidence that the public is paying more than the service is "reasonably worth," but the factors that determine "reasonable worth" are only indirectly and accidentally concerned with the factors determining the carrier's profit. There is no necessary connection between them. To show extortion it is not sufficient to show that the carrier is making a large profit. It it were so the Supreme Court would have said in *Smyth vs. Ames*, not

"What the company is entitled to ask," &c., but

"All that the company is entitled to ask," &c.

Between the two statements there is all the difference in the world. The Supreme Court has clearly laid down the principle that the criteria of extortion are to be looked for in the circumstances of the shipper, just as the criteria of confiscation are to be looked for in the circumstances of the railroad owner.

No court has ever recognized that the "police power" of the State conferred proprietary rights on the public in the monopolies regulated by that power, nor is it likely that any court ever will. There is no principle of law or equity that can be twisted to justify such rights.

Failure to recognize this principle has led many people to think awry on this matter. For instance, there is Mr. Robert Whitten, the author of that excellent work,



"Valuation of Public Service Corporations," (Banks Law Publishing Co., 1913.) He is arguing in favor of "actual cost" or "original cost" as a standard of valuation, and he says:

Actual cost of property considered is the most natural and in many respects the fairest single basis for the determination of fair value for rate purposes. A fundamental principle of public service regulation is that as the public service corporation devotes its property to a public use it may consequently be required to render the service at reasonable rates of charge. Rates of charge to be reasonable may not be in excess of the fair value of the service and may not be higher than necessary to produce a fair return on the property devoted to a public use. The measure of the property devoted to a public use is undoubtedly in the first instance at least the money that the company has actually and necessarily invested, i. e., the actual cost. (p. 83.)

The italicization is ours. Where did Mr. Whitten get his principle? What court ever laid it down directly or indirectly? It is precisely contrary to the principle that has been laid down, and it is precisely because it is not true, that "actual cost" has been uniformly discarded by the courts as the sole standard of value in valuation cases for purposes of rate making!

Yet the common idea is as Mr. Whitten's idea, but that does not make it right. Observe, moreover, how its acceptance clouds the reasoning of an acute mind such as Mr. Whitten's on a very important detail of valuation—namely, the treatment of railroad terminal lands and rights of way. He is considering the general method of valuation known as "cost of reproduction" under present conditions. Here is what he says when he comes to land values:

The reproduction cost of structures and equipment fluctuates with changes in prices of labor and materials. The movement, however, is not one-sided. It is as likely to favor the consumer as the company. Experience has shown, however, that the general trend in city land values is toward appreciation. Under the reproduction theory the movement is entirely one-sided. It is always to the advantage of the company. If the relations between the consumer and the company are to be based on equity it would seem that accepting the reproduction method in valuations for rate purposes some exception should be made in the case of land. (pp. 124-125.)

Because appreciation in railroad land values is practically universal and inevitable the rules of equity demand that it shall be disallowed! What kind of equity is this? Are we listening to an obiter dictum of the court which tried the Knave of Hearts in Wonderland?

Let us follow Mr. Whitten a little further into the maze of confusion where this lands him:

The company is entitled to a reasonable return on the property it devotes to a public use; but it is not equitably entitled to a reasonable return plus an additional return brought about by the appreciation of land. Such appreciation is clearly a part of the return that the company is receiving on its property. In treating the annual appreciation as so much income and permitting the company to earn a fair return on the present appreciated value of its property the New York Public Service Commission has adopted a just and logical method. The treatment of appreciation as income in a rate case is a necessary adjustment of the reproduction method to make it conform to fundamental principles of equity. Substantially the same result would be obtained but more directly and logically by making an exception of land and taking original cost instead of present value. (p. 125.)

Doubtless the statement that depreciation and appreciation are analogous processes and should be treated similarly in accounting is plausible and attractive to the eye of the accountant. But in the case of railroads the analogy is non-existent as between land and other railroad property. For railroad land in use for railroad purposes is to be considered as in perpetual use for

those purposes; its sale at some future time is excluded from the equation by the nature of the case. Now the fundamental notions of both depreciation and appreciation connote the idea of liquidation or termination at some point of time. And depreciation in other railroad property, whether physical or functional, does actually mature and fall in. It comes naturally as an operating expense to the "income account." But appreciation in railroad terminal lands does not mature or determine at any date save that of its actual sale—and presumably these lands are never sold. Consequently it does not come naturally to the income account, for it is not income. The only way it can be brought into the income account each year is to go through a process of "writing up" the book cost of terminal lands and crediting the income account with the amount thus "written up." And the only way this "income" can be given to railroad stockholders is by capitalization of surplus through a stock dividend or a process which is essentially the same thing. Furthermore, if such stock or scrip representing appreciation of land values is to have any value it must return income or have a genuine potentiality of income return—and if this income is not to come from increased returns on increased value of land where is it to come from? And if the increased value of land is to be permitted to earn a return, why all this bookkeeping rigmarole? If it is not permitted to earn this return all the bookkeeping is a mere pretense—a "flim-flam"—for the supposed "income" is no income.

The dilemma is inescapable, and properly so, seeing that there is a ruinous fallacy in Mr. Whitten's reasoning. Starting with the wrong principle that the sole criterion of the reasonableness of railroad rates is to be looked for in the circumstances of the carrier it is natural that he should suppose something to be "one-sided" which is not "one-sided" at all. He utterly fails to see that the very process which has brought about an appreciation of railroad terminal lands and rights of way has also brought about a very real appreciation in the value of the service to the shipper. In a word the "reasonable worth of the service" has increased.

The idea that such a thing as this is possible never seems to enter the heads of those who are most prominent in discussions of the railroad question. Yet two very real "pragmatic" proofs can be given of its truth so far as railroad lands are concerned—one hypothetical, the other actual.

The actual proof is found in the fact that "terminal costs" have so increased of late years that at times they absorb almost all the revenue from new business beyond a certain amount. What does this mean if not an increase in the "reasonable worth of service" to the shipper?

The hypothetical proof follows from the supposition that the railroads could go out of business and sell their lands. Fresh capital could only be obtained for new railroad facilities on the basis of a fair return on the present cost of terminal facilities. This is what the public would have to pay and this is what the service would be "reasonably worth."

Failure to recognize the fact that the value of railroad service to the shipper has increased—and that very materially—in the last generation follows naturally from the failure to recognize "reasonable worth of service" as a factor in the case. Yet the courts have clearly recognized this factor as a very real and genuine factor determining the fundamental equities as between the two parties concerned.

## Prevision

### A French Economist Discovers That the Best Barometer of Financial Crises Is the Price of Commercial Paper in the United States

In an article "Portents of Commercial Crises," in the April journal of the Statistical Society of Paris, Baron Charles Mourre, a French economist, sets forth in quest of the infallible Single Index, which, if it is ever found, will cause statistical economics to become a money making science. For his field of study he chooses the United States for such reasons as we shall see.

When a country advances too precipitately along the road of industrial and commercial progress, it is very soon forced to pull itself up short and experiences an economic crisis. The statistical signs, however, which disclose to us that feverish state, if they are very numerous, are of unequal importance. We shall review them in their turn, restricting our investigation to the United States, which is the chosen land for the operation of commercial crises.

We shall limit our discussion to the thirteen years 1900-1912. This period is, without doubt, greatly restricted, but it presents the advantage of having been traversed by three crises of the same type, those of 1903 and 1907 and that much slighter one of 1910, all characterized by the same symptoms; industrial expansion, then liquidation with commercial and financial depression. Going back still further into the past, we find the crisis of 1893 showing nothing whatsoever analogous to the three financial disturbances mentioned, and that of 1884 and 1885 resembling them in but a few particulars.

#### COMMODITY PRICES

First he examines commodity prices, tracing them up and down through Bradstreet's Index Number, and finds them unpropitious:

It is \* \* \* indisputable that prices rise with the approach of crises and fall during their liquidation; but during the actual period, at least, it is necessary to seek in addition the existence of an active force which, exaggerating rise and moderating the decline in prices, makes prevision very difficult. In our opinion, the cause of this rise in prices is the great abundance of specie and lack of adequate settlement. Again, taking into account the inadequacy of the index numbers, concerning which justifiable criticisms have often been made, we can conclude that the price of commodities gives no indication by which the approach of crises can be adjudged with absolute certainty.

He seeks next for the Single Index in one or more of the basic commodities, as pig iron, but alas:

We see the market price for pig iron rising in 1902, and falling in 1903 and 1904 during the liquidation of the crises, soaring again in 1905 to 1907, to drop again during the period of industrial depression in 1908. Up to this point the course of the metal market was absolutely normal; from 1904 to 1911 it was already less in accord with the commercial situation of the country, and in 1912, in spite of the abundant demand for metal manufacture and the unquestionable prosperity of the United States, it only reached a figure lower than that of the year of stagnation, 1908. While deserving close attention, it is obvious that the price of iron does not constitute a barometer sufficiently accurate to determine whether the commercial rise of a country has attained a degree of tension sufficient to be disquieting.

#### STOCK EXCHANGE PRICES

Copper is open to the same objections, being a fickle and inconsistent prophet. Then he takes Stock Exchange prices:

These figures ascend to 1902, when market prices had attained an extremely high level, but how could one reckon with certainty on that fact to portend a crisis in the following year, since for six years prices had been steadily rising? In 1906, on the eve of the crisis, the level of market quotations was without doubt a little higher than in 1902. But it would not have been an improbable inference, in view of the splendid prospects opening up for the United States, that a new high

record mark were possible. In the same way, was it necessary to see in the marked resumption of business which occurred at the end of 1909, but which left prices lower than those of 1905 and 1906, the infallible indication of the new disturbance of 1910? The hypothesis was plainly ambiguous. It must be concluded from these facts that there is no commercial crisis without a preliminary rise in the stock market. But it is almost impossible to know even very approximately where the rise ought to stop.

The volume of Stock Exchange transactions serves no better. Figures for new construction steadily rise and, therefore, are unbarometric. As for railroad earnings:

Gross railroad receipts give us figures which are difficult of interpretation, for they have a continual upward tendency. A very violent crisis like that of 1907 is necessary to reduce them. This is easily understood. There is a continuous construction of new lines which increase traffic every year, and which, if commercial activity is depressed, offset the disturbance of traffic on their old lines.

The balance of international trade, bank clearings, commercial failures and immigration are all very interesting and may assist prevision, but they are yet halting and imperfect signs. The writer comes then, as every economist on the same quest does, to the "money situation." He considers first the weekly bank statement in New York:

It is customary to judge the money situation in the United States by the financial statement of the Associated Banks of New York. One reads continually in the financial journals that the stock market has gone up or down with the news of the financial statements of these banks, published every Saturday. Herein there is great exaggeration. This financial statement, it must be remembered, applies only to New York, and for that reason is of but limited importance.

He proves how limited its importance really is, and is next dissatisfied with the returns from the whole country:

Undoubtedly we should obtain surer results if we should consider in place of the financial statement of the Associated Banks of New York, that of all the national banks of the United States. Unfortunately, however, they are published, on Governmental authority, at irregular intervals much too far apart, and consequently difficult to compare from one year to the next.

#### THE TRUE BAROMETER

He comes then to the one true barometer, which is the price of commercial paper. He argues:

Since there does not exist in the United States a large central bank operating not only for New York, but throughout the country by means of numerous branches, and publishing statements weekly, the rate of commercial paper for New York, necessarily regulating that of the whole United States, is a better indication of the money situation. This barometer of commerce, besides being very exact, has the great advantage of extreme simplicity. The great majority of business men are neither economists nor statisticians, and they need at hand a means of credit which shall be both immediate and easy to use.

A possible objection is that commerce can be in active expansion in the United States and very quiet in Europe, so that the advance of European money would react on the American rate of discount. Consequently, a disquieting industrial tension would correspond to a relatively favorable money situation.

This belief is unfounded. The danger comes only when liquid capital, the creator of fixed capital, is exhausted; only when the specie which expresses the height of commodity prices disappears from the reserve to enter into circulation.

He proves it:

It is naturally of importance always to examine the same kind of paper. The crisis of 1903 started out in March with a panic on the Stock Exchange. Commercial paper was then being negotiated at about 5% per cent., a very high rate for that time of the year. In 1907 the general crisis was ushered in in the same way by a severe drop on the Stock Exchange, which, like the preceding one, took place in March; the rate for commercial paper was then 6%, a very high rate. Finally, in 1910, it was quoted on April 29 at 4%. This rate shows the money situation to be merely very

mediocre, but not, properly speaking, especially bad. Meanwhile a crisis came on, gradually, it is true.

The rate of commercial paper, in fact, reveals precisely the monetary and economic condition of the country, but it would be demanding too much to require that it indicate the exact moment when a crisis should take place. In spite of a sky overhung with clouds the storm can be long in breaking; on the contrary it can arrive prematurely.

Certain indications, nevertheless, can guide us. Above all, the time of year must necessarily be taken into consideration; the rise in the price of money during the Autumn, at the time of moving the crops, is an event which can be counted on in advance, but of a temporary nature, and on account of which there is no cause for alarm. Then, too, the proximity of the preceding crisis is not in our opinion without a distinct influence. In 1910 the severe lesson of 1907 had not had time to be forgotten, and caution was greater; as soon as the whole forward movement became a bit lively, it was apt to be followed by recoil. Similarly, political troubles, when the situation is already strained, precipitate a crisis before the hour indicated by economic circumstances. If a crisis should come about this year in America, the Balkan war and the anti-trust agitation will have hastened the event by destroying the confidence which the world of business enjoyed up to the beginning of last October.

Finally, it is necessary to take account of crops. An exceptional crop is expensive to raise, and can at any moment heighten the rate of discount; but once its transportation is effected, it proclaims abundance, brings about a drop in prices, and helps to send money back into the reserves. Thus the rise in the rate of commercial paper is not dangerous if it is caused by the moving of a good crop. If a crisis breaks in the United States in 1913, it will be in spite of good crops.

The importance of crops is without doubt a real one, but in our opinion it is much exaggerated. This is proved by the fact that the three crises whose approach we have been considering in this discussion, have come about immediately after good crop years.

#### DIFFICULTIES STILL

After all, commercial paper rates are not to be trusted without reference to other factors:

We have found in the rate of commercial paper an excellent method of recognizing the approach of crises. One difficulty always presents itself. Commercial paper remains very high up to the beginning of the liquidation of the crises, then, as failures increase, there springs up a general lack of confidence. Thus, in 1908, the rate was abnormally high during the first half of the year, in the very midst of the period of industrial depression. There were similar occurrences at the beginning of 1904, after the crisis of 1903, and at the end of 1910, when industry was already in a state of stagnation. The low rate of commercial paper does not come about until calm is restored, and a general torpor reigns in the world of business. It is at that time, above all others, that it is profitable to consult the various statistical indications that we have enumerated. Difficult of interpretation when it is a question of announcing the approach of crises, they are certainly very much more effective in revealing the period of depression which follows the crisis. We have seen that failures, clearings, issues, Stock Exchange securities, railroad receipts, immigration, balance of trade, urban constructions, and, also, prices, for the past seventeen years have had a continual upward tendency, and that it would be very difficult to judge whether their progression be abnormal. When, on the other hand, the figures which reflect all these various aspects of commercial life begin to come down there is no longer any room for doubt that the liquidation of the crisis has set in.

Finally, gentlemen, allow me in closing to express a desire. The rate of commercial paper, the most important indication which exists in determining the approach of crises in the United States, cannot be obtained in any part of France. I should like to see published in France the rate of American commercial paper. Europe cannot become indifferent to the United States; it is generally from that side of the Atlantic that our storms come.

So, although there is no Single Index, there is, in the opinion of Baron Charles Maure, a Major Index which all the world should watch, and that is the price merchants pay for commercial credits in the United States.

## Rainless Wheat

### How Man in His Quest of Daily Bread Learns to Make the Deserts Fertile and to Scorn the Drought

When Malthus developed his celebrated theory of population, that man's natural inclination excessively to reproduce himself would keep the race continually on the border of starvation, the world's potential food supply being limited, he had not the imagination to see deserts made fertile; he could not have reckoned, for instance, on "A Rainless Wheat," so interestingly treated by William Macdonald in the June number of *The Nineteenth Century*. He says:

Spread out an old map of the United States of less than fifty years ago, and you will see that vast region marked "The Great American Desert" stretching from the Missouri to the Rockies. What has happened? In the space of a single generation, an army of settlers has invaded this country, and six transcontinental railroads bring the comforts of civilization to the farmer's door. Next, turning to the British Empire, we note that desert region of Australia so quaintly called the "Never-Never Country," on the fringe of which farmers even now are settling. And, coming to South Africa, we mark out the Kalahari Desert, or, as it is termed in the native tongue, the "Great Thirst Land." Even there the white flag of the surveyor can be seen staking out a fifty-thousand-acre farm from the silt-laden waters of the Orange River to the restless crest of a barren, blood-red sand dune. The lesson of all this is plain. In our dry and desert lands we possess a priceless heritage; and if there are any who still think that there are no more good farms to be had in our oversea dominions you may remind them of that saying of Emerson: "The last lands are the best lands. It needs science and great numbers to cultivate the best lands and in the best manner."

The magic is prosaically called dry farming:

"Dry farming" is a new term which was first used a few years ago in Western America. In Utah and some other parts of the United States it is called "arid farming." Still another term is "scientific soil culture." For the sake of uniformity, all experiment stations, agricultural societies, and the rural press would do well to speak of dry-farming and dry-land agriculture. It is sometimes said that dry-farming is a new agricultural practice. But it is not so. Even in America the farmers of Utah have been raising crops on their dry lands with a rainfall of less than fifteen inches for over half a century. More than that, dry farming has been practiced since the dawn of civilization in Mesopotamia, in Egypt, and in Northwestern India. And, as Prof. Hilgard of California remarked to the writer: "The great depth of soil in arid regions as compared with that of humid climates undoubtedly explains how the ancient agriculturists could remain in the same country for thousands of years without having any knowledge of scientific agriculture." Most farmers are aware of the fact that the roots of plants go far deeper in dry regions than in damp climates. Now, if the roots of plants can penetrate to great depths, so surely must both moisture and air. It would thus seem as if an all-wise Providence had amply compensated the agriculturist of the arid regions by giving him in many parts of the globe great depth of soil combined with an almost inexhaustible fertility. Such, at least, is the lesson of history.

The principal fruit of dry farming is durum wheat, of which the writer says:

The durum wheats were formerly termed macaroni wheats, because in the past they have been mainly used in the manufacture of macaroni. But the better term is durum, and it should be employed to describe this class of wheat. The term durum comes from the Latin word durus, (hard.) For more than forty years there have been shipments into the United States of these hard, glassy wheats, chiefly from Russia, but also from Algeria and Chile. It is only during the last thirteen years, however, that public attention in America has been directed to them, and this has been due mainly to the publications and efforts of the National Department



at Washington. In the year 1900 Mr. M. A. Carleton, United States Cerealist, was sent on a mission to Russia. He traveled through the durum wheat belt and secured a large number of varieties; these were distributed to the farmers and experimental stations in the Great Plains region of Western America, in which the climate and soils are very like those found in Russia and Algeria, where these particular wheats are largely grown.

There was at first a prejudice against durum wheat. It was thought to be adapted only to the making of macaroni, and not suitable for bread making at all; but the fact is that bread made from durum wheat, or from durum and other wheat mixed, is richer and remains longer fresh than bread made from the ordinary kinds of wheat. On this point the writer says:

A few years ago the United States Department of Agriculture made an interesting experiment to test the relative value of durum wheat for bread making. A certain amount of flour from durum wheat and common wheat was set aside, and two sets of loaves were baked from the different flours. These two lots of loaves were marked, and sent out to over 200 persons for inspection and report, accompanied by a circular letter containing eight questions. The people to whom the loaves were addressed were carefully selected, and included prominent millers, bakers, chemists, and teachers of domestic science. The result of their replies was summed up as follows: "The general opinion, therefore, of the relative value of the durum wheat loaf as against that made from other flour is 108 to 74 of the durum wheat."

The method of cultivation is simple:

The virgin velt is well plowed, varying in depth from eight to fourteen inches. A disk harrow is then used for the twofold object of pulverizing the clods and stirring the soil as deeply as possible. For that purpose we use a twenty-inch disk harrow. A steel-tooth harrow is then passed over the field to form a layer of fine earth on the surface from two to three inches deep. This is the soil mulch or earth blanket. The land is then allowed to rest, but should it begin to get hard and crack on the surface a light harrow is run over it, which prevents the escape of moisture and the drying out of the soil. Also, after every rain, the ground is harrowed, and the dry soil blanket restored. A whole year is devoted to such soil culture, and then in the month of May the wheat is sown. It is not necessary to wait for rain, as the soil is then so moist that the seed can be sown at any time. The seed is sown with an ordinary drill, which deposits it underneath the dry soil blanket. When the young plants are a few inches above the ground a light harrow, called a weeder, is run through them.

And drought loses its terrors, for the writer says:

Drought to the intelligent dry farmer is no more than a passing storm to the skillful mariner at sea. Before us lie two authentic records of farms where the year of drought brings no dismay. These records are taken from the admirable work on dry farming of the most eminent American authority, Dr. John H. Widdowson of Utah. The first farm belongs to Senator Barnes of Utah, and is situated in the Salt Lake Valley. The climate is semi-arid, the Summers are dry, and the evaporation large. Over a period of nineteen years crop and rainfall records have been most carefully kept. There has been only one crop failure, and that was the first, when the land was not yet properly tilled. The heaviest crop of wheat, 28.9 bushels, was harvested in the year 1902, when next to the lowest rainfall occurred, which varied from 10.33 inches to 18.46 inches. Moisture-saving fallows followed every crop.

Finally, the writer visualizes the desert reformed:

There, under a serene and cloudless sky, lies a panorama of green and chocolate-brown—mile after mile the growing wheat and the deep-stirred, water-holding fallow. No rain may fall for many a day, but the husbandman is untroubled. For he knows that his seed has fallen upon good ground, and that, from far below, those life-streams are flowing ever upward which will carry his hundredfold corn white unto the harvest.

And thus is nature prevailed upon to yield the man his daily bread, in order that he may go on and multiply prodigiously.

## The Foreign Rivals of the Standard Oil

Their Annual Reports Show That They Have Held Their Own in a Bitter Fight—Are Now Invading America

Special Correspondence of THE ANNALIST

AMSTERDAM, June 19.—The reports for the fiscal year 1912 of the two parent-companies, forming the Dutch-Shell Oil group have been published this week. These companies are the Royal Dutch Oil Company and the Shell Transport and Trading Company. Both these companies in their present stage are important holding companies for the shares of various affiliated companies, in the proportion of 3-5 by the Royal Dutch and 2-5 by the Shell. The Royal Dutch plays thus the more important role.

In reading the reports the first thing that strikes us, is, that the last year has proved that during the bitter war of competition between this group and the Standard Oil Company, which has lasted for more than two years, they have not only been able to maintain their strong strategic position in the oil trade, but they have even seen their way to strengthen it. Consequently, when the severity of the competition diminished, they could benefit at once from the better prices obtainable for their products. On the strength of this, profits during the past year increased enormously. The companies earned respectively:

	1912.	1911.
Shell Trans. and Trading Co.	£1,454,098	£929,417
Royal Dutch Oil Co.	fls. 26,377,606	fls. 11,044,619

These figures represent profits available for distribution, after fair allowance for depreciation, &c. That these big increases are largely due to the rise in the prices of oil and petrol may be concluded from the fact that the augmented profits for the greater part have been caused by the increased dividends received from two of the prominent operating companies, viz.: the Bataapche Petroleum Company, the purpose of which is the exploration and exploitation of oil fields, and The Anglo-Saxon Petroleum Company, which principally handles the transport and distribution of the oil and petrol produced. The entire capital stocks of both these companies are held by the Royal Dutch-Shell group. Three-fifths are in possession of the Royal Dutch Oil Company, and the remaining two-fifths in the treasury of the Shell Transport and Trading Company. The receipts of dividends derived from these holdings in the last two years are:

	1912.	1911.
Royal Dutch Oil Co.	fls. 16,650,064	fls. 10,659,119
Shell Trans. and Trading Co.	£925,000	£710,608

### HAD LUCK IN SHIPPING FACILITIES

Looking for the causes by which the group was placed in such a favorable position to enhance the prices of their products, we find that the exceedingly high rates prevailing in the shipping trade has been one of the principal factors. On account of these abnormal rates, competition for those who had not sufficient shipping facilities was difficult. In this respect the group had taken in a very strong position. The Anglo-Saxon Petroleum Company, above referred to, and the Dutch Indian Tanksteamer Company, a concern belonging to the group, own not less than 64 steamers with a loading capacity of 211,300 tons of oil, and 498,000 cases of oil. Not only were these companies able to offer sufficient shipping facilities for the products of the group, but by leasing the steamers still available to others they benefited from the high rates and have greatly contributed to the profits of the companies of the group.

Further profits, amounting for the Shell to £235,000, and for the Royal Dutch to about 10,000,000 florins, have been the result of the great expansion which the business of the group has undergone during the severe fight with the Standard Oil Company. The sphere of activity of the group, originally confined to the Dutch Indies, has been enlarged enormously, and at present the group owns large oil fields in Dutch Indies, Russia, Rumania, Egypt, Persia, Mexico, and America. From the various oil fields in those countries the group has acquired a production of:

	Tons.
Dutch Indies	1,478,132
Russia	800,832
Egypt	26,533
Rumania	477,790
Total	2,753,287

### THE AMERICAN BUSINESS

Mexico and America have not contributed during the year under review, inasmuch as the preparations for getting foot in those countries have taken a long time. These have now been completed, and,

through one of its intermediate companies, the group has acquired more than 20,000 acres of oil fields in Mexico, part of which are now being explored, and in the United States they have got possession of various oilfields situated in Oklahoma, the production of which already amounts to 3,000 barrels a day.

The fight with the Standard Oil Company has taught them that part of the fighting policy of that mighty concern was that of cutting down artificially the prices of oil and petrol outside of America, keeping prices in America on a high level, thus fighting the battle without incurring great losses for themselves.

In order to be ready for battle, should war break out again, the group have tried to get foot in America. This was the only way to benefit from the prices in America. They have succeeded in this, and not only have the group rich oil fields in your country but they have also erected stores for petrol in San Francisco, Seattle, and Montreal, and have formed selling organizations in those cities. They have also built new installations in Sweden, Norway, Denmark, and Italy, and they will extend their sphere of activity also to South Africa. All these selling organizations are connected with the production fields geographically most favorably situated, thus creating a sound commercial basis for their business.

The wonderful expansion of the business of the group has not done any harm to the strong intrinsic position of the various operating companies. Since 1907, the year that the deal between the Royal Dutch and the Shell was concluded, the operating companies have set aside, out of the profits, for depreciation, &c., the sum of 51,480,000 florins, of which 13,200,000 florins were set aside last year. The Royal Dutch and the Shell are carrying on their books shares of intermediate companies up to a nominal value of 212,000,000 florins, for an amount of 150,285,000 florins, on which dividends were received of 27,750,000 florins, equal to 18 per cent. on the book value. The reserves of the Royal Dutch and the Shell amount together to 70,700,000 florins, being equal to 80 per cent. of the aggregate amount of 88,317,000 florins of the common capital stock of those two companies outstanding. Their intrinsic position is thus undoubtedly very strong, which also may be said of their financial position. Cash and liquid assets after deduction for current liabilities amount to 30,000,000 florins, a working capital that may be considered as more than sufficient even for a concern of this magnitude. Out of the profits of the companies, a dividend of 30 per cent. has been distributed on the common shares of the Shell Transport and Trading Company, whereas on those of the Royal Dutch Oil Company a dividend of 41 per cent. has been declared. The shares of these companies quote at present 550, respectively 640 per cent., being practically the highest prices ever reached in their history.

### HOW BRITISH TRADE IS GOING

Bankers and Others Are Discussing Its Probable Course in the Immediate Future—Has It Been Going Too Fast?

Special Correspondence of THE ANNALIST

LONDON, June 20.—Last month's Board of Trade returns were surprisingly good and pessimists who had been prophesying an immediate decline are perhaps a little bit doubtful of their own sagacity. But present returns after all represent past orders and a good many people are certain that the stream of orders does not flow as freely as it did. At a recent semi-private meeting of financial experts a leading banker, speaking without the embarrassing presence of reporters grew very gloomy over trade prospects and the effect of dear money. The discussion which followed his speech was extremely animated and several of the financiers—among whom were a number of Americans—took what may be described as the Lloyd-George view, that we are suffering from a temporary setback, and that the boom will soon begin afresh as prices adjust themselves to new conditions. Toward the close of the debate an economist of long experience declared that he could not remember a panic that had not been preceded by exactly the kind of speech he had been listening to that night. The opinion may be over gloomy, but there is no doubt that the fall in prices has caused some embarrassment and the failure of a leading pig iron firm in Scotland last week created a very bad impression. The firm had been the centre of a big speculation in warrants, and its credit was known not to be as sound as in previous years. But the final collapse was quite unexpected. Altogether our traders are suffering from the unpleasant sensations of a man who thinks he has been living a little bit too fast. The feeling may be only temporary; but for the moment it is rather intrusive.

London  
Paris

## Foreign Correspondence

Berlin  
Amsterdam

PARIS and London were bewildered last week by the rumors of a Mexican Railways receivership. London sold speculative securities heavily in Paris on account of them, and Paris disbelieved. The Mexican loan has gone but slowly on the French market. Other Mexican securities have been thereby adversely affected. New issues have ceased both in Paris and London, but in spite of that London, on casting up the half-year total, finds it the largest ever, save in the first half of 1910. The troublesome Balkans continue to be complained of. Finance thinks it could see its way clearly if that sore spot were removed. Berlin is still troubled by failures and dear money. It borrowed at 7 per cent. from the French bankers. However, both there and in London the settlements last week, though they entailed heavy losses upon speculators, were got through with on much easier terms than had been expected.

### PARIS COMMENT

#### Rumors Believed and Disbelieved, and Our Currency Bill Approved Of

By Cable to THE ANNALIST

PARIS, June 28.—This day ends another week of despondency, but when it is considered how trying the Balkan situation has been and that some eminently informed persons on Wednesday thought it desperate the Bourse has been remarkably calm. Since Russia's threat to make a naval demonstration in the Black Sea and Rumania's declaration of the impossibility of remaining neutral the Balkan embroilment may be viewed in a somewhat more hopeful light.

Temporarily this week Russia ceased to support Russian industrials on this market, in consequence of which these securities fell heavily. Later they recovered on the news of what steps were taken to induce the Russian banks to sustain the market.

Speculation for the account is very dull in all directions. The cash market is more active, influenced by the imminence of the July money disbursements.

The Budget Commission is still undecided what means to adopt to make ends meet. It seems inclined to adopt the twenty-year State bond plan advocated by the Finance Minister, who has been asked to expound it more fully. In the meantime the collection of another provisional twelfth of the 1913 taxation has been voted. The Finance Minister is now asking for 212,000,000 francs on account of the Morocco warfare.

Rio Tintos have been irregular and at times weak, influenced indirectly by New York fluctuations and particularly by the heavy speculative selling here by London of all issues on rumors of the Mexican Railways receivership, which Paris steadily disbelieved. The Mexican issue to-day is going slowly, notwithstanding the inspired communications. The financial press is hostile. Mexican securities are all most irregular. Mexican bank shares have declined 50 francs since mid-June.

Americans are generally better, except the Frisco 5s. It is confirmed that the Defense Committee will include unofficially two Finance Ministry officials.

The Quebec Railway officials, being unable to find security with the French fiscal agents, have been obliged to abandon payment of the French fiscal stamp tax, and consequently the shares dropped 12 francs.

The money market is easier. Daily loans are 3½ per cent.; on time, 3¾ per cent. Berlin has been borrowing here at a rate reported to be as high as 7 per cent.

No new issues are announced.

Rumors from Vienna that a Paris group is negotiating to finance Vienna's metropolitan railway construction are discredited, because

French capital has been already hugely wounded in South Austrian railways.

Your currency reform bill is comforting to Paris, which thinks your present system conducive to financial crises. It is hoped that the reforms will be adopted before your crop moving begins, as Europe will probably have a very tight money market in the Autumn, when the new loans of the Balkan States and Turkey will have to be financed.

Prospects will continue to be governed more or less by the Balkan situation.

### MEXICAN INCIDENT IN LONDON

#### The Information Came All from Wall Street—Taking Stock of the Half-Year

By Cable to THE ANNALIST

LONDON, June 28.—The event of the week on this market was the sharp fall in National of Mexico preferred on Friday. All of our information about it came from your side. The £5,500,000 6 per cent. two-year notes recently issued here at 97 stand now at 94.

American railroad bonds in the last fortnight have fallen 1 to 4 points.

Although new issues now are practically suspended, thanks to the co-operation of the issuing bankers to check the output of securities, the total capital issues for the half-year closing are computed at between £120,000,000 and £150,000,000, which is the highest total since the corresponding period of 1910.

The week ends with all markets steady and exceedingly inactive. Pay day on Friday passed without serious difficulty, last week's rumors, as I cabled you, being quite unjustified. The sharp recovery in prices just before the settlement restored confidence, and there is none of the nervousness this week which was reported at the end of last week. However, there is no indication that any one is prepared to take the initiative on the bull side. The money outlook is the restraining influence. Although the usual half-yearly stringency in the money market is met without special difficulty, contrary to expectations, yet the fact cannot be ignored that the rate for money is abnormally high. To-day loans to July 1 are keenly in demand at 4¾ per cent. Borrowings from the Bank of England have been large, and the repayment of these loans will absorb much of the money to be released by Government dividend payments.

With the Balkan affair definitely settled, the prospect would be radically altered.

### BERLIN GETTING ITS BREATH

#### And the Reichsbank So Far This Year Has Got 170,000,000 Marks in Gold from Abroad

By Cable to THE ANNALIST

BERLIN, June 28.—Since the settlements passed off without serious trouble the markets are taking breath. During the week one small broker and an unimportant banking firm suspended, but these incidents were so much more trifling than the trouble feared that they had no effect whatever upon the markets. Failures continued to be reported from the provinces, but none of any great importance.

Notwithstanding a number of factors which could be called unfavorable, the Boerse was quiet throughout the week, and prices were fairly steady.

German steel makers have reduced material for the first time, and news of short time in the mills is now appearing in the papers. These matters were offset, so far as they affected financial sentiment, by the favorable outcome of the St. Petersburg conference, seeming to assure peace in the Balkans at last. German authorities regard the peace prospect with genuine satisfaction, but the Boerse is reserved in that direction because the Vienna mar-

ket is so openly distrustful of Rumania. Therefore, there is a disposition to wait a final clearing of the horizon to the southeast.

To-day the market was somewhat disturbed by the report that the Wire Rod Association would cut prices and also by execution sales for the account of an insolvent Hamburg firm, but it improved toward the end, chiefly owing to the further relaxation of money rates.

Gold continues to reach the Reichsbank. However, the advance in the discount rate of the Bank of Netherlands will stop the supply from that source. At a meeting this week of the Central Committee, which is composed of the leading private bankers of Berlin, a Director of the Reichsbank said that its receipts of gold from abroad during the half year expiring would reach 175,000,000 marks.

As soon as arrangements were completed for the settlement current money rates began to relax. Further progress in that tendency is expected next week. French and Swiss banks have been lending here at 6½ per cent., taking all the risk of exchange.

Quotations on the settlement showed how badly prices had suffered during the month. Imperial 3s were the lowest of any settlement in their history. Industrial shares were at a decline of 5 to 10 points.

### PARIS WRITES A BELGIAN LAW

#### French Authorities Credited with Forcing a Bill Aimed at Evasion of French Taxes

Special Correspondence of THE ANNALIST

PARIS, June 20.—The mania for armament, from which all European countries suffer, has not left even so-called "neutral grounds" untouched. Belgium has voted armaments involving a new yearly charge of some 50,000,000 francs, which the Government proposes to obtain by means of new taxation, including, besides heavy direct burdens on bankers and brokers, a stamp on foreign securities, 1 per cent. on State issues, and 2 per cent. on all others, and a succession duty to be paid on all property existing in Belgium.

It is impossible to say what amount of foreign money this new Belgium provision will hit. Judging, however, from the numerous estates lying in one of the big establishments in Brussels, waiting for the lawful heirs, it is thought that over 1,000,000,000 francs of French deposits exist in Belgium. It is partly the handling of some of these moneys that has enabled Belgian trade to flourish, Belgian enterprise to spread throughout the world, and making light railways and trams a specialty, to take control of many transportation companies in France itself. Tracked in Belgium as well, French capital in search of a peaceful abode will take to migrating again, this time to Switzerland, where it will swell the very considerable foreign deposits already existing.

How will the Belgian market stand the loss? Brussels evidently considers it as a tremendous calamity; yesterday Belgian rentes were allowed to fall to 70.50, showing a loss of 4 francs per cent. on the previous day's closing, and the Brussels Bourse, which is remarkably active and speculative at most times, displaying the most alarming tendencies.

How can the Belgium Government, well knowing the all-important part played in the country's development by foreign funds escaping from fiscal vexation, adopt such a suicidal policy? A plausible answer is found by our Bourse, in the supposed pressure exercised by the Paris Government over Belgium in order to suppress the very easy fiscal evasion which the vicinity of a tax-free country offers to French capitalists. The thumbscrew used to exert pressure took, apparently, the shape of a temporary prohibition to the listing or marketing in Paris of the eight hundred million loan that Belgium needs most urgently, and which, after being almost officially announced, has been momentarily withdrawn. Its issue will only take place after the Belgian law is voted.

Now, if the many important questions still in abeyance on your side had already been settled, (tariff reform, monetary reform, &c.) this would be a very good opportunity to draw to the States some of the French money which Belgium is compelled to reject. But under the present undecided condition of New York can you imagine the Frenchman sending funds for investment across?



## The Financial Ineptness of German Officialdom

**Berlin Papers Are Talking About the Lack of Wisdom in the Attempt to Float the Recent Loans That Failed**

*Special Correspondence of THE ANNALIST*

BERLIN, June 20.—The failure of the subscription of the Prussian and imperial loans last week emphasizes in a sensational way the unsatisfactory position of the German capital market, to which I have already adverted at various times in this correspondence. The failure to cover these loans gives more striking evidence of weakness than that of the Treasury notes in March, for here was an issue that should have appealed to the broad mass of capitalists, while the notes are rather a bankers' security. Moreover, the bonds issued at that time were all taken by the market, while last week's subscription was a remarkably bad fiasco. Of the \$41,700,000 Prussian loan, only about \$16,500,000 was subscribed, leaving 60 per cent. in the hands of the underwriters. The \$12,000,000 imperial loan did much better, only about 20 per cent. not having been covered.

This event is without parallel in the history of the German money market; and the financial press has naturally been eagerly discussing how it came about. In the first place, it is agreed that the flotation was fixed at an exceedingly inopportune time—just after various other loans and stock flotations had been brought out, and the market thus left in a depleted position. Moreover, the banks were in the midst of extensive preparations for meeting the big half-year demands and were under the necessity of holding their own resources in hand. Thus the financial authorities have made exactly the same mistake that they made in March by appointing this flotation at one of the most unfavorable junctures of the money market, and in this connection they are coming in for no little criticism from the independent financial newspapers. It appears that the financial officials consult together as to when they need money, then hurriedly call together the representatives of the big banks and tell them that a loan will be brought out on such and such a date. No consultation beforehand with bankers of insight into money market conditions, no asking of advice as to the easiest time for selling bonds—only a blunt appeal to patriotism; love your country and get us the money. And yet past experience should have somewhat shaken the confidence of the Government financiers in their omniscience; for they have now not less than three ill-starred borrowing operations in succession standing as witnesses against their financial wisdom. It will be recalled that the bankers told the Finance Minister, while the March operations were under negotiation, that they still held an unsold balance of some \$20,000,000 of last year's Government flotations.

### SPECULATORS SCARED OFF

The poor success of Government loans of recent years undoubtedly acted as a heavy handicap for last week's flotations. It has been a regular phenomenon for some time now that new Government bonds are beaten down pretty rapidly in price, often before the actual bonds can be delivered to subscribers; so that these latter, if they subscribed with the intention of soon selling their allotments at a profit, were often badly left in the lurch. This fact has put a complete stop to speculative subscriptions to these Government issues. Hence the time is long past when twenty, thirty, and even fifty-fold oversubscriptions were heard of. Even individual capitalists showed little or no investment demand for last week's loans; the great bulk of the tenders, it is said, came from insurance companies, savings banks, and other semi-public boards. And foreign subscriptions? Nobody was able to discover that a single bond was taken by a foreigner. Yet it is not so many years since German 3 per cent. issues could draw subscriptions even from France.

And Government bonds are establishing fresh claims to their bad reputation. Last week the 3s dropped below 75 for the first time, and they have continued to fall since then. It is in vain that the financial authorities point to the unexceptionable security of the German and Prussian loans. That fact profits nothing against the unfavorable monetary situation at home and abroad, against the steady and heavy increase of these loans in an overburdened market, against the Government's big military and fiscal measures, which have tended strongly to conjure up political anxieties.

The ill-success of the financial ministers in reading the financial weather signs has not deterred the Prussian Minister of Commerce from again putting his hand to the wheel of the financial

machinery. His prohibition of the listing of Milwaukee & St. Paul in 1911 has now found a counterpart in a warning given the other day to the big bankers against bringing out further foreign loans in Germany as long as the money market remains in its present state of tension. Undoubtedly foreign issues have been brought out here in unusual amounts this year. The total volume of foreign Government loans in Germany this year was given, after the Chinese operation, at about \$120,000,000, whereas the amount for the whole of last year was less than \$10,000,000; and certainly nobody would claim that the German money market has been in a better position this year for taking up foreign issues than it was in 1912.

### EMBARGO ON MEXICAN LOAN

Hence the Minister's latest embargo against foreign flotations (it would become an embargo if further flotations were attempted) finds approval even in some sections of the press that are not usually disposed to favor Government interference with the financial markets. It is understood that the Minister's warning was directed particularly against the subscription of the Mexican loan, in which German banks had agreed to participate to the amount of about \$7,000,000. For this reason the announcement made a few days ago that the subscription would occur in New York, London, and other centres, next week, made no mention of a subscription at Berlin. The banks will now probably dispose of their bonds here by private sale, or, what is more probable, arrange for placing them abroad. Of course, there is nothing to prevent them from selling the bonds in Germany; the Minister's action will have only the effect of placing German buyers at a disadvantage in that they would have no public market here, in case they should wish to dispose of their holdings.

In view of the fact that the loan can be sold in Germany by private sale, notwithstanding the Minister's action, some writers are using the incident as illustrating anew his naivete in the presence of financial questions. At the same time persons of socialistic tendencies draw from all this the conclusion that there should be a law regulating the whole matter of admitting foreign loans to Germany. Their idea is, in particular, that there should be one single listing board for the whole empire equipped with autocratic powers and directly under the control of the Government.

### FIVE PER CENT. IS IN FASHION

#### English Investors See Little Attraction in Bond Income Smaller Than That

*Special Correspondence of THE ANNALIST*

LONDON, June 20.—How does the normal English investor in this troubled time regard the American market? To find an answer to that question we need not go to the common stocks for there the British investor has at present no interest at all. He neither buys nor sells, is neither bull nor bear. Prices move up and down in the train of New York and such business as is transacted is mainly on New York account. The right place to test the feelings of London is the American bond market, for here the Londoner is interested pretty considerably. Hitherto the amount of selling has been comparatively small, as people who bought at higher prices have not been disposed to sell at a loss, and have preferred to hold on and get their own price back, but now there are signs of a change, and the professionals are rather looking forward to a decline in bond prices. The fact that New York City bonds are down to a 4½ per cent. basis is taken seriously and the argument runs that if the best corporation securities are worth as much as 4½ per cent., railroad bonds ought to be paying at least five. It is therefore anticipated that for some time the market will be a five per cent. market, and that any new issues which come along will have to offer at least that return if they are to attract public favor.

Nobody seems to be very much impressed by the Treasury's announcement about relieving the money market, for we have not got much faith in currency manipulations and the prevalent idea is that the banks will not pay the interest charged on the notes. The normal Englishman is still very skeptical of Government's capacity to relieve a tight situation, and we are inclined to think that your financiers will have to work out their own salvation without relying on Treasury support. It must be remembered that English notions of American currency are generally vague, and in this case the idea may be mistaken; but there it is. Dealers are glad of anything that improves the tone in New York and note with pleasure the better sentiment on your side; but they do not imagine that the situation is really much eased by the Treasury action. They are more impressed by the Pennsylvania's offer to exchange stocks with the Union Pacific.

## The British Investor Loses Faith in Japan

**The Japanese Bonds Are Down in Price, and London Financiers Couldn't Raise a War Loan for Japan To-day**

*Special Correspondence of THE ANNALIST*

LONDON, June 21.—Before Germany provided the markets in London with unlimited topics of conversation we heard a good deal about the weakness of Japanese bonds—a weakness that was put down to danger of war with the United States. It is perfectly true that the bonds were weak, but it is very doubtful whether America had anything to do with it. As a matter of fact, it was possible throughout the time that the bonds were falling to insure at Lloyds against the danger of an American-Japanese war at the rate of 5 guineas per cent. This may sound a high rate, but in practice it is a minimum for this kind of war insurance, which underwriters will not put on their books unless the premium is tolerably large.

Japanese bonds fell because credit is bad, and it is the common opinion here that war is impossible for that reason, if for no other. After the Russo-Japanese war British investors were badly Japan struck, but to-day probably not one in ten of those who applied for the bonds has his old high opinion of the country.

We feel now that the Japanese have borrowed too much, spent too much, and fought too much. The high-water mark of the country's credit was the 1910 issue, when 4 per cent. bonds were floated at 95. Last month they dropped to 81—a difference of 14 points in three years—a pretty good drop even in these days of depreciation. Japan was the fashion three years ago; China is the fashion to-day, and perhaps it is just as well for your investor that your President has not encouraged the fashion in the United States by blessing the five-power loan.

Incidentally, why is it that after a war the securities of the beaten country are usually a better investment than the bonds of the victor? Take Russia and Japan as an illustration. In 1909 Russia issued 4½ per cent. bonds at 88½. To-day they stand practically at 100. In 1910 Japan issued 4 per cent. at 95. To-day they stand at 81½.

	1909-10.	1913.
Japanese 4 per cents. . . . .	95	81½ —13½
Russian 4½ per cents. . . . .	88½	99½ +11

The whirligig of time has brought its revenger, and the next time the British investor is offered bonds freshly adorned with the laurels of victory he may think twice about the bargain. If we took seriously the danger of a war the securities would not stand at 81.

### ENGLAND'S SHIPBUILDING STRIKE

#### Fearful That the Tie-Up Will Permanently Injure Southampton's Prestige

*Special Correspondence of THE ANNALIST*

LONDON, June 20.—There is nothing fresh to record in the great shipbuilding dispute except that the sands are running out and no agreement has been arrived at. It would appear to be a very unfortunate time for the men to strike because shipping is still active but may not remain so much longer. The effect of a strike therefore would probably be that foreign shipbuilding yards would get full benefit from what remains of the boom and fill themselves with orders to carry them over the slack time that is in prospect. On the other hand British yards would be unable to book orders freely and would feel the set back much more severely than their rivals in Germany, Belgium, and France. The industry in these countries is now competing so vigorously that we cannot afford to throw away our chances. The damage a strike can do is proved by a weary dispute that has been going on in Southampton for three months over the men's demand for an advance of three shillings a week in wages. The fight has been narrowed down to a question of sixpence a week, and there the matter rests. Meanwhile the local industry is almost coming to a standstill and the repairing yards have practically stopped. The St. Paul has missed several trips for want of engineers to remedy some engine defects, and a big French liner has lain idle since the trouble began. Southampton has in the last few years achieved an important position for itself in the Atlantic trade and if strikes of this kind are to be common she may lose her importance almost as quickly as she gained it. In these times repairing facilities for big liners are of inestimable value to a port, but shipowners after being once bitten are likely to fight shy for years to come.

## Chicago's Optimism Has a Cheery Sound

Out There They Talk of "Eastern Depression" and Its Intangible Causes, Seeing Only the Great Wealth of the Crops

Special Correspondence of THE ANNALIST

CHICAGO, June 27.—As the Summer lull spreads itself business sentiment improves because the splendid crops have passed through several crises with only seasonal deterioration, curtailment of trade has been orderly and less drastic than had been feared, money is becoming inherently easier, with all danger of Autumn stringency of serious proportions apparently averted, investors in securities are waking up, world financial centres are avowedly less apprehensive, and many leading financiers talk hopefully; most of the radical readjustments imposed by new legislation have been discounted, and there is being engendered in all classes a sense of mutual responsibility and respect.

The West has been unable to fathom Eastern depression, which it feared all the more for that reason. The realness of it was not fully recognized until the banks began to curtail credits vigorously. There was nothing intangible about that process, but to the West there still is something intangible about the cause of it. The element of unseen and incomprehensible danger produced an uncanny effect upon sentiment, but the outward poise was perfect. Instinctively all eyes turned to the crops, and the inner poise became better and still better, until now the consensus of business opinion is that the Eastern depression will affect general trade much less than had been feared a short time ago.

Western railroad Presidents predict larger earnings the next fiscal year, some say 10 per cent. larger, and deny that they have stopped any construction or improvement work in hand or planned for this year. Leading manufacturers and merchants report pretty general activity—record activity for the season in some lines—and predict much more when the tariff questions are settled. The bankers say they are comfortable, albeit still exceedingly cautious. Farmers and laboring men certainly could not ask for much more than they are getting.

Even the disconsolate and neglected commission man is permitted to see a few rays of the sun of plenty—just a few—and the mass is as merry as usual.

The Western money market did not relax as the Eastern money market recently did because the big crops overshadowed all else, but the past week brought free offerings of country bank loans, especially from sections where new crops are under the blade and in the box car. Whatever the leading bankers may think of Secretary McAdoo's \$500,000,000 chat with the press a short time ago, it marked the beginning of activity in the commercial paper market throughout the interior. Previously the borrower sought the lender with obeisance, generally in vain, whereas now the lender occasionally touches his hat when he passes a customer on the street. The big city banker's frigid stare has just begun to melt. He still quotes 6 per cent., as against 5½ per cent. down State, because his secondary reserve is low. The percentage of his cash means to deposit liabilities is a shade higher than it was a year ago, and substantially higher than it was a few weeks ago, but not much paper is maturing, therefore commitments are curtailed sufficiently to make up the difference in secondary reserve. Correspondents will draw down their balances whenever rates stiffen.

The McAdoo announcement favorably affected general business sentiment in the West, not because the Administration would or could afford any new relief in a monetary squeeze, but because it saw fit to reaffirm its friendly attitude toward the country's business welfare at a time when its

friendship was in some doubt, although sorely needed. A majority of the bankers who have studied the Currency bill's amendments say that what the country needs most in Washington is horse sense. Some of the foremost bankers here declare openly that the measure as it stands would produce chaos in a year. Behind the back of their hand they blame Mr. Bryan for the botching.

However that all may be, the public feels much more friendly toward Mr. Wilson and his Cabinet and the Democratic Party, and even the bond market gets some business now. Stock houses have been selling a respective amount of odd lots. Grain commission firms are making money, too, but that is because the crop scares have begun to fester.

Rains have been quite general and very timely, but Kansas wheat has fallen much below its promise, and the Dakotas are still too dry, as are sections in Illinois and other Central States. Hot weather has brought the corn along nicely, but the oats crop looks rather poor. Winter wheat yields generally exceed expectations in volume and grade. The trade looks for an average crop of Spring wheat. Canada says good weather has reduced the average lateness of the provincial crops to an insignificant margin. Summarizing the entire crop situation, all's well.

Traffic is still a little heavier than a year ago, but commerce adheres strictly to the hand-to-mouth policy, hoping to adjust itself to tariff changes and to enjoy something approximating a mild revival under the harvest moon. Steel men feel sure of another buying wave then. They are still months ahead with old orders, and there have been very few cancellations. Structural steel and lumber are very active because the building boom is tenacious—except in this city, where labor disputes have brought it to earth, prostrate, just when the banks had begun to draw the credit lines tightly to prevent reckless aviation. The railroads usually move slowly in June maintenance and improvements—this year they got a very early Spring start after an open Winter—and await the crop inventory after the new fiscal year is under way. Their supply of reserve material is rather low.

Referring again to the labor lookout here, the city's building operations have averaged close to \$100,000,000 annually for a long period, and the weekly mortgage records of Cook County show an average of about \$3,000,000 loaned per week.

### THE GUATEMALAN SETTLEMENT

British Holders of Central American Bonds  
Now Begin to Change Their Attitude  
Toward the Monroe Doctrine

Special Correspondence of THE ANNALIST

LONDON, June 20.—Great satisfaction is felt in London at the settlement arrived at after many years with the Guatemalan Government and bondholders are especially glad that the United States did not stand in the way of an amicable arrangement. In your Government's relation with Central American States we have sometimes been inclined to regard it, if the phrase may be allowed, as the patron saint of thieves, and many an English investor after seeing his debtor default under the shadow of the Monroe Doctrine has in his soreness applied hard words to your foreign policy. And if your foreign policy has been questioned, our own has not passed uncriticized, and bondholders often ask why a British subject's rights cannot be enforced by the sledge hammer of British diplomacy. The official reply always is that the British foreign office is not a debt collecting agency, but Sir Edward Grey has in this case intervened with some effect. Guatemalan 4 per cent. bonds have now reached the respectable price of 54, and it would not be surprising to see a gradual appreciation in the market, affectionately known as the "rubbish heap." Four years ago Guatemalan bonds were down to 26; now they are quoted at 54, another proof of the fact that one way to make money is to buy rubbish and sit on it.

## Baltimore's New Line to the West

It Is the Realization Through the Western Maryland of an Ambition Half a Century Old

Special Correspondence of THE ANNALIST

BALTIMORE, June 28.—This city at last has realized an ambition in which it had been thwarted for more than fifty years. That is the opening of a through line to Chicago and the Great Lakes, via the Western Maryland. The first passenger train to Chicago, bearing a party of officials and friends, was dispatched two weeks ago. Officially on July 1 the new extension of the Western Maryland Railway, from Cumberland, eighty-eight miles to Connellsville, where it connects with the Pittsburgh & Lake Erie, will go into operation. This now is the shortest route from the Great Lakes to tide-water. It has the lowest grade over the Alleghany Mountains, and gives the advantage of a port differential to Baltimore of 1½ cents per hundred pounds over New York.

Just after the civil war the possibilities of such a road were seen, and the City of Baltimore, in order to obtain a larger share of traffic from the West to Atlantic seaboard, subscribed for a large part of the stock of the Western Maryland Railroad. It was pushed out to Hagerstown, and then to Cherry Run. There it met the Baltimore & Ohio and stopped.

In 1902 a Gould syndicate, acting for the Gould system of railways, bought up the interest of the City of Baltimore in the Western Maryland, which was wanted as an outlet to Atlantic seaboard. Joseph Ramsey, Jr., then President of the same interests, acquired the West Virginia Central, built a short connecting link and combined the two roads. But the Gould project failed, and the extension of the Western Maryland to Pittsburgh was never built. In 1908 the Western Maryland, together with several other Gould roads, went into the hands of receivers. In 1910, when it emerged from insolvency, it was in control of the Rockefeller interests. Much new capital had gone into it. The equipment had been brought up to date. Steps were then taken to connect the Western Maryland with the West by constructing the link from Cumberland, Md., to Connellsville, Penn. A traffic agreement was reached with the New York Central people. On Jan. 18, 1910, an official statement was issued by the Western Maryland, which read as follows:

"A traffic agreement, covering a period of ninety-nine years, has been concluded between the Western Maryland Railway Company and the Pittsburgh & Lake Erie Railroad Company, a subsidiary of the New York Central & Hudson River Railroad Company. The contract, as executed, involves immediate extension of the Western Maryland Line from Cumberland, Md., to a connection with the Pittsburgh & Lake Erie Line at Connellsville, Penn., (fifty-eight miles from Pittsburgh and eighty-eight miles from Cumberland,) and provides for full through traffic arrangements between the two lines, opening lines and terminals of each company to the traffic of the other company and its through connections."

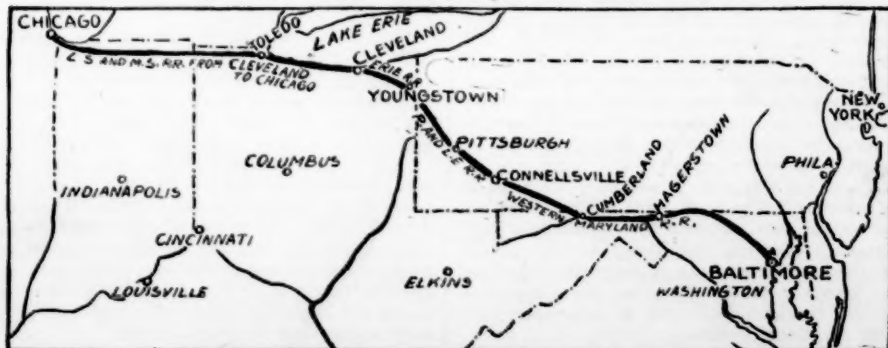
The extension is called the Connellsville State Line Railroad Company. The Western Maryland sold \$25,469,670 worth of capital stock to provide funds to build and equip it. The road is so built that it can be easily double-tracked. The tunnels and bridges are already big enough. The work, being very largely through mountains, was very expensive. The cost has averaged nearly \$300,000 per mile. Great difficulty was encountered in the "Big Savage" tunnel, which runs under a mountain of that name just above the Maryland-Pennsylvania line. It is 3,600 feet long.

As the shortest route from the West to tide-water, on the lowest grade over the Alleghany Mountains, and with the advantage of a differential to Baltimore over New York, the company expects to develop an immense amount of traffic. Moreover, with the crowding of New York terminal facilities, it is thought probable that the New York Central will divert much of its grain traffic to the Pittsburgh & Lake Erie and thence over the rails of the Western Maryland to Baltimore. The company has bought valuable lands on the water front of Baltimore, and has already spent large sums in improving these properties.

### Railway Rate Education

The Municipal School of Commerce (Birmingham, Eng.) is to have classes in railway rates and charges, lectures being delivered by a competent railway expert with a wide knowledge of Birmingham industries and conditions.

Baltimore's New Thoroughfare to the West





## Barometrics

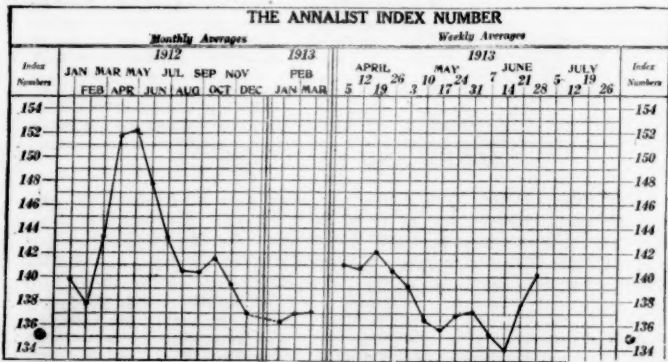
A SHARP rise of The Annalist Index Number was again the most interesting statistical movement of the week, and it was owing to the same reason as the rise the week before—the higher price of new potatoes. Takings of American cotton, both here and for the world, were in much smaller volume. The number of idle freight cars was about the same as at the previous report, but far more are still in use than at the same time last year. The average net yield of ten savings bank bonds declined slightly as prices hardened. Bank clearings declined. A new low price for call money was recorded; five loans of \$100,000 each were made at 1 per cent. Commercial discounts throughout the country remain at about the highest rates of the year. The reserves of New York banks and trust companies averaged the highest since Jan. 1, though the percentage to liabilities was a little lower than that of the week before. Gross railroad earnings continue to show a substantial increase over those of 1912. Commercial failures were practically unchanged, as were basic commodity prices, with the exception of raw silk, which rose to a new high price.

### THE ANNALIST INDEX NUMBER

An index number is a means of showing fluctuations in the average price of a group of commodities. The Annalist Index Number shows the fluctuations in the average wholesale price of twenty-five food commodities selected and arranged to represent a theoretical family's food budget. It is a consumer's Index Number, more sensitive than the Government's Index Number, or any other.

Commodity.	Av. Price for the Ten Yrs., 1890-99. (The Base.)	Last Week's Mean Price.	Relation to the 1890-99. (Per Cent.)
Steers .....	\$5.3203	\$8.65	162.5
Hogs .....	4.4123	8.7125	197.3
Sheep .....	4.4081	5.675	128.6
Beef, fresh .....	.0771	.1275	165.3
Mutton, dressed .....	.0754	.0875	116.0
Beef, salt .....	8.0106	18.50	230.7
Pork, salt .....	11.6332	22.50	193.4
Bacon .....	.0675	.1325	201.8
Codfish, salt .....	5.7530	8.00	139.0
Lard .....	.0654	.1175	170.8
Potatoes .....	.4991	1.025	205.3
Beans .....	1.6930	2.445	144.4
Flour, rye .....	3.3171	3.6875	111.1
Flour, wheat, Spring .....	4.2972	4.75	110.5
Flour, wheat, Winter .....	3.8450	4.70	122.2
Cornmeal .....	1.0169	1.375	135.2
Rice .....	.0591	.054375	91.9
Oats .....	.2688	.41561	154.6
Apples, evaporated .....	.0847	.06375	75.2
Prunes .....	.0774	.06125	79.1
Butter, creamery .....	.2242	.2775	123.7
Butter, dairy .....	.2024	.2675	132.1
Cheese .....	.0987	.14375	145.6
Coffee .....	.1313	.090875	73.7
Sugar, granulated .....	.04727	.0445	94.1

Index Number, the average relative price of 25 commodities, 140.7. The Annalist Index Number started in 1890 at 113.4, fell to 79.9 in 1898, and was 142.9 for the year 1912. Its course during 1912 by months, its tendency since the first of this year, and its exact present position are shown in the chart below:



### GAUGES OF PRODUCTIVE ACTIVITY

	May, 1913.	May, 1912.	Year 1912.	Year 1911.
Tons of pig iron .....	2,822,217	2,512,582	29,383,490	23,316,711
Pounds of copper .....	141,319,416	126,737,336	1,581,920,244	1,431,933,338

	1913.	1912.	1912.	1911.
At home, lbs. ....	81,108,321	72,702,277	819,665,948	709,611,615
Exported, lbs. ....	68,285,978	69,485,945	746,396,452	754,902,233
Total, lbs. ....	149,394,299	142,188,222	1,566,062,400	1,464,513,838

### Cotton Movement and Consumption (N. Y. Cotton Exchange Official Report.)

	Past Week.	Same Week in 1912.	Sept. 1 to Latest Date—This Year.	Last Year.
Cotton, "into sight," bales ..	32,365	40,076	13,406,923	15,688,226
American mill takings .....	38,965	45,987	5,018,736	5,281,511
World's takings* .....	166,768	178,585	12,716,883	14,206,066

\*Of cotton grown in America.

### Rate of Productive Activity

	1913.	1912.	1913.	1912.
Daily pig iron capacity, tons ..	90,220	81,435	92,479	79,697
U. S. Steel's orders, tons .....	6,324,322	5,750,983	6,978,762	5,664,885

### Building Permits

	May, 85 Cities.	1912.	1913.	April, 115 Cities.	1912.
	\$61,123,008	\$70,592,409	\$84,056,093	\$69,265,243	

### FINANCE

	Past Week.	Week before.	Year to date.	Same period in 1912.
Sales of stocks, shares ..	1,302,883	1,705,072	45,887,168	69,394,958
Aver. price of 50 stocks ..	High 67.28 Low 65.92	High 67.44 Low 66.03	High 79.10 Low 63.09	High 83.76 Low 75.24
Sales of bonds .....	\$6,625,200	\$8,093,000	\$285,448,200	\$403,708,500
Average net yield of ten savings bank bonds ..	4.325%	4.355%	4.24%	4.10%
New security issues .....	\$35,737,000	\$31,096,000	\$1,112,318,087	\$1,357,831,960
Refunding .....	14,222,000	1,500,000	234,461,000	120,510,550

†Mean yield this year to date. \*Average yield for 1912.

### MEASURES OF BUSINESS ACTIVITY

#### Bank Clearings

	The past week. P.C.	The week before. P.C.	The year to date. P.C.
1913 .....	\$2,976,367,898 — 1.2	\$3,185,276,499 + 3.9	\$86,090,792,211 + 0.02
1912 .....	3,013,025,998 — 3.8	3,079,748,385 + 3.0	86,070,246,241 + 7.0
1911 .....	3,132,069,576 — 14.6	2,992,227,272 + 5.2	80,458,397,461 — 1.9
1910 .....	3,661,206,344 + 20.9	2,844,383,427 — 15.4	82,027,227,924 + 2.6
1909 .....	3,027,258,524 + 47.1	3,360,285,144 + 53.0	79,912,743,033 + 17.9
1908 .....	2,052,786,929 — 20.4	2,190,113,827 — 14.5	61,771,456,148 — 19.9
1907 .....	2,578,596,977 — 7.7	2,562,640,082 — 5.6	76,948,474,236 — 3.9

#### Number of Idle Cars

	June 14, 1913.	May 31, 1913.	May 15, 1913.	Nov. 7, 1912.	June 20, 1912.	June 22, 1911.	June 24, 1910.
All freight cars ..	63,927	50,908	50,294	*51,169	67,718	163,170	122,915

\*Net shortage of cars. †Date of busiest use of cars in the year.

#### Gross Rail Earnings

	*Third Week in June.	†Second Week in June.	‡All May.	§All April.
This year .....	\$6,212,534	\$6,117,797	\$56,259,465	\$43,922,216
Same last year .....	5,820,472	5,867,789	50,768,776	41,964,312
Gain or loss .....	+\$392,062 + 6.7%	+\$250,008 + 4.4%	+\$5,490,689 + 10.8%	+\$1,957,904 + 4.7%

\*20 roads. †21 roads. ‡46 roads. §24 roads.

### THE CREDIT POSITION

#### Cost of Money

	Last Week.	Previous Week.	Since Jan. 1.	— Same Week —
Call loans in New York ..	@ 2½	1½ @ 2½	7 1	2½ @ 3 2 @ 2½
Commercial discounts:				
New York .....	5½ @ 6	5½ @ 6	6 4	3½ @ 4 3½ @ 4
New York .....	5½ @ 6	5½ @ 6	6 4	4 @ 4½ 3½ @ 4½
Chicago .....	6½ @ 7	6½ @ 7	7 4½	5 @ 5½ 5 @ 5½
Philadelphia .....	6 @ 6½	5½ @ 6	6½ 4½	4 @ 4½ 3½ @ 4½
Boston .....	5½ @ 6½	5½ @ 6	6½ 4½	3½ @ 4½ 3½ @ 4½
Kansas City .....	8	8	8 8	8 8
Minneapolis .....	6	6	6 6	6 6
New Orleans .....	@ 8	@ 8	8 6	@ 8 6 @ 8

#### New York Banking Position

(Both Banks and Trust Companies.)

	Loans.	Deposits.	Cash.	Reserve.
Last week .....	\$1,902,376,000	\$1,769,766,000	\$443,700,000	25.07%
Week before .....	1,891,897,000	1,760,431,000	440,260,000	25.12%
Same week 1912 .....	2,065,670,000	1,950,877,000	459,831,000	25.57%
This year's high .....	1,999,530,000	1,855,320,000	443,700,000	25.12%
On week ended .....	Feb. 8.	Feb. 8.	June 28.	June 21.
This year's low .....	1,858,698,000	1,697,891,000	392,750,000	23.13%
on week ended .....	Jan. 4.	Jan. 4.	Jan. 4.	Jan. 4.

#### Reserves of All National Banks

Loans and discounts, cash, and the ratio of cash to loans of all the national banks of the country at the time of the Controller's call have been (in round millions):

	Apr. 1, 1913.	Feb. 4, 1913.	Apr. 18, 1912.	Mar. 7, 1912.	Mar. 28, 1911.	Apr. 1, 1910.
Loans & discounts ..	\$6,178	\$6,125	\$5,882	\$5,558	\$5,432	\$4,963
Cash .....	888	933	931	908	834	878
P. c. of cash to loans ..	14.4	15.2	15.8	16.3	15.4	17.7

#### A Week's Commercial Failures

	Week Ended June 26.	Week Ended June 19.	Week Ended June 27, '13.
	To-Over	To-Over	To-Over
East .....	98	42	118
South .....	76	22	46
West .....	54	23	57
Pacific .....	41	18	43
United States .....	269	105	264
Canada .....	27	6	20

#### Failures by Months

	May, 1913.	April, 1913.	May, 1912.	April, 1912.
Number .....	1,246	1,314	1,204	1,279
Liabilities .....	\$16,863,804	\$18,445,355	\$15,277,462	\$16,874,727

### OUR FOREIGN TRADE

	May, 1913.	1912.	1912-13.	1911-12.
Exports .....	\$194,593,071	\$175,380,058	\$2,302,464,882	\$2,066,088,667
Imports .....	133,466,450	155,697,886	1,681,504,094	1,522,234,137
Balance .....	\$61,126,621	\$19,682,172	\$620,959,788	\$543,854,530

#### Imports and Exports at New York

	1913.	1912.	1913.	1912.
Latest week .....	\$15,903,227	\$11,699,108	\$17,025,733	\$15,304,209
Year to date .....	\$463,560,710	\$408,262,999	\$478,735,193	\$486,191,309

### WEEK'S PRICES OF BASIC COMMODITIES

	Current Price.	Range since Jan. 1st.	Mean Price since Jan. 1.	Mean price of other years.
Cement: Portland, dom.: per 400-lb. bbl. ....	1.58	1.58 — 1.58	1.58	1.315
Copper: Lake, per pound .....	.1775	.15 — .1775	.1687	.1597
Cotton: Spot, middling upland, per lb. ....	.1230	.1170 — .1230	.1170	.1144
Hemlock: base price per 1,000 feet .....	24.50	23.00 — 24.50	23.75	21.65
Hides: Packer No. 1, Native, per pound .....	.175	.1650 — .175	.1775	.175
Petroleum: Crude, per bbl. ....	2.50	2.00 — 2.50	2.25	1.67
Pig iron: Bessemer, at Pitts., per ton .....	16.90	18.15 — 16.90	17.925	15.94
Rubber: Up-river, fine, per pound .....	.89	.78 — .89	.83	1.13
Silk: Raw, Italian, classical, per pound .....	4.35	3.90 — 4.35	4.125	3.84
Steel billets, at Pittsburgh, per ton .....	26.50	26.50 — 26.50	27.50	22.38
Wool: Ohio X, per pound .....	.20	.20 — .20	.20	.20

# Money and Finance

SATURDAY'S bank statement did not appear to bear out the statements that had been made during the week about a large inflow of cash into New York, for it showed a decrease in reserve and surplus. This was in the "actual" statement, the average holdings of cash during the week having been larger than either the average of the week before or the previous Saturday's total. There has been a notable increase in loans and deposits. The fact that Tuesday is a day of large interest and dividend disbursements bears on the situation. Call loans have been much easier, time loans have increased in rate.

## Clearing House Institutions

	Actual Condition Saturday Morning	Trust Cos.	All Members.
Loans	\$1,351,057,000	\$571,600,000	\$1,922,657,000
Deposits	1,374,726,000	417,075,000	1,791,801,000
Cash	378,088,000	63,427,000	441,515,000
Reserve	27.50%	15.20%	24.64%
Surplus	34,406,500	865,750	35,272,250
Circulation	46,960,000	.....	46,960,000

	Changes from Previous Week		
Loans	+\$31,675,000	-\$3,182,000	+\$28,493,000
Deposits	+ 28,434,000	+ 546,000	+ 28,980,000
Cash	+ 1,194,000	- 153,000	+ 1,347,000
Reserve	- 0.89%	- 0.06%	- 0.48%
Surplus	+ 8,302,500	- 234,900	+ 8,537,400
Circulation	+ 72,000	- .....	+ 72,000

	Daily Average Condition During Week		
Loans	\$1,330,593,000	\$571,783,000	\$1,902,376,000
Deposits	1,355,769,000	413,997,000	1,769,766,000
Cash	380,342,000	63,358,000	443,700,000
Reserve	28.05%	15.30%	25.07%
Surplus	41,399,750	1,258,450	42,658,200
Circulation	47,047,000	.....	47,047,000

	Changes from Previous Week		
Loans	+\$10,648,000	- \$169,000	+\$10,479,000
Deposits	+ 12,419,000	+ 2,084,000	+ 10,335,000
Cash	+ 4,201,000	- 761,000	+ 3,440,000
Reserve	+ 0.05%	- 0.11%	+ 0.05%
Surplus	+ 1,096,250	- 448,400	+ 647,850
Circulation	+ 101,000	- .....	+ 101,000

**Loans, Deposits, and Cash Compared**  
Taking the Clearing House banks alone, because the trust companies have no Clearing House record back of 1911, the items, loans, deposits, and cash compare with corresponding weeks of other years thus:

	Loans.	Deposits.	Cash.
1913.....	\$1,330,593,000	\$1,355,769,000	\$380,342,000
1912.....	1,409,622,000	1,461,247,000	385,655,000
1911.....	1,378,499,000	1,444,926,000	406,762,000
1910.....	1,215,537,000	1,208,273,800	320,986,900
1909.....	1,339,962,100	1,416,197,800	386,996,000
1908.....	1,231,220,800	1,320,176,400	396,142,900
1907.....	1,126,539,100	1,092,031,700	275,517,200
1906.....	1,056,944,900	1,049,617,000	274,460,000

## BANK CLEARINGS

For the week ended Saturday noon. Reported by Telegraph to THE ANNALIST

	Twenty-sixth Week— 1913.	Twenty-sixth Week— 1912.	Year's Change. P. C.
Central reserve cities:			
New York.....	\$1,634,444,948	\$1,739,485,161	\$-105,040,213 - 6.1
Chicago.....	263,376,719	289,859,388	\$-26,482,669 - 9.8
St. Louis.....	74,481,653	76,145,034	\$-1,663,381 - 2.2
Total 3 c. r. cities.....	\$2,002,302,310	\$2,105,489,583	\$-103,187,273 - 4.9
Reserve cities:			
Baltimore.....	897,227,146	835,309,887	\$61,917,259 + 7.3
Boston.....	131,285,229	156,628,001	\$-25,342,772 - 16.2
Cincinnati.....	25,611,750	25,171,250	\$440,500 + 1.7
Cleveland.....	22,512,553	22,667,412	\$-154,859 - 0.7
Denver.....	7,728,092	10,121,311	\$-2,393,219 - 30.5
Detroit.....	20,576,759	23,911,935	\$-3,335,176 - 15.2
Los Angeles.....	20,529,730	23,274,932	\$-2,745,202 - 13.2
Louisville.....	14,568,845	12,613,193	\$1,955,652 + 15.5
New Orleans.....	15,769,288	18,359,271	\$-2,589,983 - 14.1
Omaha.....	16,490,580	16,657,719	\$-167,139 - 1.0
Philadelphia.....	161,465,318	154,103,028	\$7,362,290 + 4.8
Pittsburgh.....	65,177,329	53,490,270	\$11,687,059 + 21.8
St. Paul.....	10,094,114	10,880,784	\$-786,670 - 7.2
San Francisco.....	44,167,373	50,088,033	\$-5,920,660 - 11.8
Seattle.....	12,232,041	11,513,230	\$718,811 + 6.2
Total 15 reserve cities.....	\$608,590,712	\$621,580,648	\$-12,989,936 - 2.1
Grand total.....	\$2,611,213,022	\$2,727,070,231	\$-115,857,209 - 4.3

**RECAPITULATION**  
The twenty-sixth week of this year compares with the twenty-sixth week of last year as follows:

	Decrease. P. C.
Three central reserve cities.....	\$103,187,273 or 4.9
Fifteen reserve cities.....	12,989,936 or 2.1
Total eighteen cities, representing 88 per cent. of all reported clearing.....	116,177,209 or 4.3
The elapsed twenty-six weeks of this year compare with the corresponding twenty-six weeks of last year as follows:	
Three central reserve cities.....	\$154,067,738 or 6.3
Fifteen reserve cities.....	497,536,965 or 3.0
Total eighteen cities, representing 88 per cent. of all reported clearings.....	651,604,703 or 4.7

\*Decrease.

## MEMBERS OF CLEARING HOUSE ASSOCIATION

### NATIONAL AND STATE BANKS—Average Figures

	Capital and Profits.	Loans and Discounts.	Legal and Deposits.	Legals and Specie.	Reserve P. C.
Bank of N. A., N. B. A.....	\$6,280,100	\$20,683,000	\$17,685,000	\$4,462,000	25.3
Bank of Manh. Co.....	6,866,800	32,000,000	37,000,000	10,113,000	27.3
Mechanics' Nat. Bank.....	4,178,300	20,397,000	20,445,000	5,326,000	26.0
Merch. & Metals Nat. Bank.....	14,873,700	56,633,000	53,402,000	13,832,000	25.9
Bank of America.....	7,938,100	24,221,000	23,145,000	5,964,000	25.7
National City Bank.....	55,516,100	178,783,000	183,834,000	60,166,000	32.6
Chemical National Bank.....	10,410,400	28,318,000	24,657,000	6,241,000	25.3
Merch. Exch. Nat. Bank.....	1,120,800	6,447,000	6,394,000	1,690,000	26.4
Nat. B. & Drovers' Bank.....	427,200	2,083,000	2,057,000	539,000	26.2
Greenwich Bank.....	1,547,200	9,133,000	10,299,000	2,590,000	25.2
Am. Exch. Nat. Bank.....	9,536,400	42,814,000	42,421,000	11,804,000	27.8
Nat. Bank of Commerce.....	41,326,400	126,197,000	105,952,000	31,882,000	30.1
Pacific Bank.....	1,475,400	4,738,000	4,301,000	1,133,000	26.3
Chatt. & Phe. Nat. Bank.....	3,592,500	19,062,000	19,219,000	4,825,000	24.6
People's Bank.....	675,500	2,102,000	2,240,000	602,000	26.9
Hanover National Bank.....	17,536,600	77,337,000	86,463,000	22,631,000	28.2
Citizens' Cent. Nat. Bank.....	4,846,800	22,142,000	20,383,000	5,315,000	26.1
National Nassau Bank.....	1,466,900	10,905,000	12,206,000	3,258,000	26.7
Market & Fulton Nat. Bank.....	2,925,200	9,087,000	9,051,000	2,441,000	27.0
Metropolitan Bank.....	3,817,200	12,367,000	12,007,000	3,211,000	25.5
Corn Exchange Bank.....	8,908,000	50,145,000	50,916,000	16,472,000	27.5
Imp. & Traders' Nat. Bank.....	9,400,900	25,746,000	22,874,000	5,974,000	26.1
National Park Bank.....	19,134,600	84,221,000	85,421,000	21,981,000	25.7
East River Nat. Bank.....	317,200	1,334,000	1,625,000	468,000	28.8
Fourth National Bank.....	10,948,100	30,126,000	30,730,000	8,211,000	26.7
Second National Bank.....	3,701,500	13,689,000	12,456,000	3,129,000	25.1
First National Bank.....	32,620,200	102,248,000	98,732,000	31,827,000	32.2
Irving National Bank.....	7,209,800	33,868,000	33,316,000	8,545,000	25.6
Bowery Bank.....	1,025,400	3,438,000	3,602,000	904,000	25.1
N. Y. Co. National Bank.....	2,512,700	8,345,000	8,318,000	2,116,000	25.4
German-American Bank.....	1,433,600	3,883,000	3,818,000	1,190,000	31.2
Chase National Bank.....	15,263,500	94,101,000	110,960,000	32,893,000	29.6
Fifth Avenue Bank.....	2,373,200	11,834,000	13,200,000	3,567,000	27.0
German Exchange Bank.....	1,015,500	3,522,000	3,464,000	867,000	25.0
Germania Bank.....	1,234,000	5,293,000	6,467,000	1,486,000	24.5
Lincoln National Bank.....	2,742,100	14,926,000	15,312,000	3,945,000	25.6
Garfield National Bank.....	2,293,100	8,969,000	9,132,000	2,415,000	26.4
Fifth National Bank.....	746,100	3,800,000	4,020,000	1,000,000	23.0
Bank of the Metropolis.....	3,211,000	12,606,000	12,342,000	3,047,000	24.7
West Side Bank.....	1,042,100	3,955,000	4,516,000	1,114,000	24.7
Seaboard National Bank.....	3,439,100	23,350,000	26,975,000	6,990,000	25.9
Liberty National Bank.....	3,745,500	22,779,000	24,742,000	6,230,000	25.2
N. Y. Produce Exch. Bank.....	1,800,300	9,329,000	10,774,000	2,716,000	25.2
State Bank.....	1,587,700	18,502,000	22,652,000	6,026,000	25.6
Security Bank.....	1,423,400	11,898,000	14,283,000	3,663,000	25.6
Coal & Iron Nat. Bank.....	1,543,700	6,601,000	6,596,000	1,661,000	25.2
Union Exch. Nat. Bank.....	1,094,100	9,430,000	9,490,000	2,403,000	25.3
Nassau Nat. Bank, B'klyn.....	2,153,700	7,215,000	5,708,000	1,437,000	25.2

All banks, average.....\$340,783,200 \$1,330,593,000 \$1,355,769,000 \$380,342,000 28.1

Actual total, Sat. A. M. \$340,783,200 \$1,351,057,000 \$1,374,726,000 \$378,088,000 27.5

### TRUST COMPANIES—Average Figures

	Capital and Profits.	Loans and Discounts.	Legal and Deposits.	Legals and Specie.	Recognized Reserve Deposits.
Brooklyn Trust Co.....	\$5,071,500	\$23,454,000	\$17,740,000	\$2,713,000	\$2,183,000
Bankers' Trust Co.....	24,874,300	116,073,000	91,448,000	13,745,000	16,762,000
U. S. Mort. & Trust Co.....	6,455,200	33,234,900	27,228,000	4,087,000	4,572,000
Astor Trust Co.....	2,458,400	18,965,000	13,255,000	1,980,000	1,720,000
Title Guar. & Trust Co.....	16,355,100	34,187,000	19,923,000	3,062,000	3,300,000
Guaranty Trust Co.....	33,863,500	163,877,000	108,543,000	16,805,000	18,894,000
Fidelity Trust Co.....	2,324,000	7,570,000	5,323,000	871,000	810,000
Law, Title In. & Trust Co.....	9,776,200	16,800,000	10,780,000	1,680,000	1,411,000
Column Knicker. Trust Co.....	9,165,400	47,592,000	38,024,000	5,718,000	5,198,000
People's Trust Co.....	2,529,500	15,585,000	14,517,000	2,188,000	1,850,000
New York Trust Co.....	14,939,200	41,800,000	27,581,000	4,486,000	6,281,000
Franklin Trust Co.....	2,180,500	8,717,000	6,806,000	1,105,000	821,000
Lincoln Trust Co.....	1,512,100	10,330,000	8,934,000	1,342,000	1,087,000
Metropolitan Trust Co.....	8,114,000	22,043,000	12,071,000	1,821,000	2,160,000
Broadway Trust Co.....	1,556,300	11,746,000	11,578,000	1,769,000	1,408,000
Total average.....	\$141,195,200	\$571,783,000	\$413,997,000	\$63,358,000	\$68,406,000

Actual total, Sat. A. M. \$141,195,200 \$571,690,000 \$417,075,000 \$63,427,000 \$77,848,000

## MONEY AND EXCHANGE

Money rates at New York during the week were as follows: On call, 1@2½ per cent., renewal rate at 2; 60 days, 3¼@4¼ per cent.; 90 days, 3¼@4½ per cent.; six months, 4¼@5¼ per cent. Sterling exchange ranged from \$4.8670 to \$4.8695 for demand, \$4.8290 to \$4.83 for 60 days, and \$4.8745 @ \$4.8755 for cables. Exchange on New York at odometric centres ruled thus:

	Boston.	Chicago.	St. Louis.	San Francisco.
June 23.....	par	15c premium	30c premium	30c premium
June 24.....	par	15c premium	25c premium	30c premium
June 25.....	par	15c premium	35c premium	30c premium
June 26.....	par	20c premium	30c premium	40c premium
June 27.....	par	30c premium	30c premium	30c premium
June 28.....	par	45c premium	30c premium	30c premium

## EUROPEAN BANKS LAST WEEK

	1913.	1912.	1911.
Bullion.....	\$38,416,702	\$41,083,754	\$40,437,768
Reserve.....	28,213,000	30,324,979	29,456,438
Notes reserve.....	26,568,000	28,892,600	28,093,070
Reserve to liabilities.....	47½%	45%	46%
Circulation.....	27,653,000	29,208,775	29,431,330
Public deposits.....	18,032,000	23,718,663	15,807,217
Other deposits.....	41,303,000	43,017,728	47,235,294
Government securities.....	12,758,000	13,983,707	14,971,344
Other securities.....	36,190,000	40,275,876	36,355,699

## BANK OF FRANCE

	1913.	1912.	1911.
	Francs.	Francs.	Francs.
Gold	3,317,013,000	3,262,975,000	3,112,525,000
Silver	623,661,000	819,600,000	851,525,000
General deposits	732,052,000	742,214,399	675,312,535
Circulation	5,398,952,000	5,110,651,585	5,126,183,875
Bills discounted	1,511,301,000	1,206,968,408	1,214,714,812
Treasury deposits	450,366,000	359,586,002	291,303,669
Advances	736,009,000	673,827,387	635,577,782



# The Stock Market

WITH very light trading, last week's stock market made an average net gain of nearly a point. Through nearly the whole week the talk was about the Union Pacific settlement, and there was no decided influence seen anywhere. The market first sagged and then lifted. The slow gain is perhaps a good sign of more hopeful sentiment about things in general. The Saturday market was more active and more buoyant than that which had prevailed.

## STOCK MARKET AVERAGES

The average quotations of twenty-five leading railroad and twenty-five industrial issues and of the two groups of stocks combined:

1913.					
RAILROADS					
	High.	Low.	Mean.	Last.	Change.
Saturday, June 21.....	79.57	78.76	79.16	78.94	-1.09
Monday, June 23.....	79.80	79.04	79.42	79.43	+ .49
Tuesday, June 24.....	80.58	79.79	80.18	80.33	+ .90
Wednesday, June 25.....	80.51	80.06	80.28	80.14	-.19
Thursday, June 26.....	80.31	79.64	79.97	79.86	-.28
Friday, June 27.....	79.61	79.14	79.37	79.39	-.47
Saturday, June 28.....	80.21	79.41	79.81	80.13	+ .74

INDUSTRIALS					
Saturday, June 21.....	53.42	52.97	53.19	53.08	-.53
Monday, June 23.....	53.40	52.81	53.10	53.10	+ .02
Tuesday, June 24.....	53.99	53.42	53.70	53.92	+ .82
Wednesday, June 25.....	53.99	53.64	53.81	53.73	-.19
Thursday, June 26.....	53.93	53.60	53.76	53.69	-.04
Friday, June 27.....	53.56	53.37	53.46	53.46	-.23
Saturday, June 28.....	53.86	53.45	53.65	53.82	+ .36

COMBINED AVERAGE					
Saturday, June 21.....	66.49	65.86	66.17	66.01	-.81
Monday, June 23.....	66.60	65.92	66.26	66.26	+ .25
Tuesday, June 24.....	67.28	66.60	66.94	67.12	+ .86
Wednesday, June 25.....	67.25	66.85	67.04	66.93	-.19
Thursday, June 26.....	67.12	66.62	66.87	66.77	-.16
Friday, June 27.....	66.58	66.25	66.41	66.42	-.35
Saturday, June 28.....	67.03	66.43	66.73	66.97	+ .55

THIS YEAR'S RANGE TO DATE					
	Open.	High.	Low.	Last.	
Railroads .....	90.68	91.41 Jan. 9	75.92 June 10	80.13	
Industrials .....	66.76	67.08 Jan. 2	50.27 June 10	53.82	
Combined average.....	78.72	79.10 Jan. 9	63.09 June 10	66.97	

YEAR'S RANGE IN 1912					
	Open.	High.	Low.	Last.	
Railroads .....	91.43 Jan. 2	97.28 Oct. 4	88.39 Dec. 16	90.27 Dec. 31	
Industrials .....	64.00 Jan. 2	74.50 Sep. 30	61.74 Feb. 1	66.13 Dec. 31	
Combined aver.....	77.51 Jan. 2	85.82 Sep. 30	75.24 Feb. 1	78.10 Dec. 31	

YEAR'S RANGE IN 1911					
	Open.	High.	Low.	Last.	
Railroads .....	91.79 Jan. 3	99.61 June 26	84.40 Sep. 28	91.37 Dec. 30	
Industrials .....	62.05 Jan. 3	60.76 June 5	54.75 Sep. 25	63.83 Dec. 30	
Combined aver.....	77.37 Jan. 3	84.41 June 26	69.57 Sep. 25	77.00 Dec. 30	

## RECORD OF TRANSACTIONS

Week Ended June 28, 1913

STOCKS (Shares.)

	1913.	1912.	1911.
Monday .....	270,841	240,568	617,976
Tuesday .....	280,608	223,043	424,934
Wednesday .....	255,045	340,810	370,743
Thursday .....	224,333	350,034	236,887
Friday .....	135,521	279,006	228,511
Saturday .....	136,535	153,868	94,090
Total week.....	1,302,883	1,587,329	1,973,141
Year to date.....	45,887,168	69,394,958	53,733,603

BONDS (Par Value.)

Monday .....	\$1,084,500	\$1,603,000	\$4,195,000
Tuesday .....	1,063,000	2,152,500	3,004,500
Wednesday .....	1,172,500	2,129,500	4,049,500
Thursday .....	1,763,200	1,774,000	4,439,500
Friday .....	1,122,000	2,651,000	3,326,500
Saturday .....	420,000	1,243,500	1,219,000
Total week.....	\$6,625,200	\$11,553,500	\$20,234,000
Year to date.....	285,448,200	403,708,500	467,219,500

In detail last week's dealings compare as follows with the corresponding week last year:

	June 29, '12.	June 28, '13.	Decrease.
Railroad and miscel. stocks....	1,586,714	1,302,882	283,832
Bank stocks.....	15	1	14
Mining stocks.....	600		600
Railroad and miscel. bonds.....	\$11,149,500	\$5,723,500	\$5,426,000
Government bonds.....	37,000	84,200	*47,200
State bonds.....	144,000	87,000	57,000
City bonds.....	223,000	730,500	*507,500
Total, all bonds.....	\$11,553,500	\$6,625,200	\$4,928,300
*Increase.			

## FINANCIAL CHRONOLOGY

Monday, June 23

Stock market advances sharply in the early trading, but the gains are reduced by a later reaction. Increase of 26 per cent. in the number of idle freight cars on June 14 compared with the figures at the close of May. Money on call, 1½@2 per cent. Demand sterling, \$4.8690.

Tuesday, June 24

Stock market strong on reports of favorable progress in the direction of an agreement between representatives of the Union Pacific and the Attorney General regarding the form of decree to be submitted to the United States court for the separation of the Southern Pacific from the Union Pacific. Money on call loans at 1 per cent. for the first time since Feb. 27, 1911. Demand sterling unchanged at \$4.8690.

Wednesday, June 25

Stock market reactionary. Money on call, 1½@2½ per cent. Demand sterling declines 5 points, to \$4.8635.

Thursday, June 26

Stock market dull and narrow, with prices slightly lower. Money on call, 1½@2 per cent. Demand sterling declines 10 points, to \$4.8675.

Friday, June 27

Stock market heavy, with transactions in only 135,521 shares, the smallest total since Dec. 27, when the total was 126,981 shares. Money on call, 1½@2 per cent. Demand sterling declines 5 points, to \$4.8670.

Saturday, June 28

Stock market strong. Bank statement shows a decrease in actual surplus reserve of \$8,537,400.

## GOVERNMENT FINANCE

The General Fund in the United States Treasury showed a total balance of \$142,527,743 at the opening of business on June 27. There was a total of \$146,005,524 in the Treasury offices, not counting \$25,104,791 of minor coins, silver bullion, &c., and a deduction of current liabilities brought the available cash balance to \$59,421,229. The Treasurer had \$77,549,645 to his credit in national banks, the amount on deposit being \$63,578,943, inclusive of amounts to the credit of Postmasters, judicial officers, &c., and less an estimated \$20,000,000 of items in transit or in the Treasury not cleared. The Treasury vaults held \$1,083,455,169 in gold against outstanding certificates, of which \$71,258,790 were in the Treasury offices among the current cash balance. There was \$23,067,604 in gold coin in the assets of the Treasury.

### Government Receipts and Disbursements

(Exclusive of postal revenues and disbursements, except postal deficiency.)

Ordinary receipts:	June to the 27th.				Same Period of 1912.				Fiscal Year to June 27th.				To Same Date Last Fiscal Year.			
Customs .....	\$20,603,927.08	\$21,552,889.82	\$315,077,672.82	\$306,583,099.42												
Internal revenue..	23,381,439.13	22,010,759.90	304,579,758.43	287,624,163.33												
Corporation tax...	7,781,208.63	7,633,062.24	13,987,233.18	12,488,131.32												
Miscellaneous ....	6,633,048.63	6,122,542.52	60,428,074.88	57,007,018.25												
Total .....	\$58,399,623.47	\$57,319,254.48	\$694,072,739.31	\$663,702,412.32												

Ordinary disbursements:

Civil and miscel...	\$11,476,257.69	\$10,164,365.62	\$169,739,605.70	\$172,257,731.29
War .....	10,756,358.20	7,369,760.69	159,103,236.29	149,498,586.69
Navy .....	10,225,152.82	9,335,371.89	132,377,374.87	135,062,006.85
Indians .....	1,674,406.61	1,698,493.19	20,440,236.08	19,742,820.62
Pensions .....	13,879,101.34	11,526,600.00	173,639,077.71	153,656,594.84
Postal deficiency..			1,027,368.79	1,568,194.88
Int. on pub. debt..	405,778.38	277,953.78	22,759,549.03	22,446,070.45
Total .....	\$48,417,055.04	\$40,372,545.17	\$679,086,448.47	\$654,232,005.62

Less repaym't of un-				
expended balance	1,451,292.69	1,512,991.06	2,826,545.30	2,527,157.63
Total .....	\$46,965,762.35	\$38,859,554.11	\$676,259,903.17	\$651,704,847.99

Excess of ordinary receipts .....

receipts .....	\$11,433,861.12	\$18,459,700.37	\$17,812,836.14	\$11,997,564.33
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Panama Canal:

Receipts—proceeds

of bonds.....				\$33,189,104.15
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Disb. for Canal...	3,526,554.29	2,618,121.97	41,737,711.15	35,330,103.70
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Excess disb'ments.	\$3,526,554.29	\$2,618,121.97	\$41,737,711.15	\$2,140,999.55
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Pub. debt receipts.	\$3,272,910.00	\$1,549,850.00	\$23,200,850.00	\$20,399,745.00
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Pub. debt disb....	2,629,755.00	\$2,601,268.00	\$23,900,710.50	\$28,645,517.53
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Excess of all re-

ceipts .....	\$8,550,461.83	\$14,790,160.40	\$24,624,735.51	\$1,610,792.25
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†Excess disbursements.

## COURSE OF FOREIGN SECURITIES

	Range for 1912.		Range for 1913 to Date.		Last Sale.
Argentine 5s.....	100	@ 95½	99½@ 96	96	96½
British Consols.....	79 3-16@	72½	75½@ 72 13-16	73½	73½
Chinese Railway 5s.....	95½	@ 90	96½@ 95½	95½	95½
French Rentes 3 per cents.....	95	@ 88.50	89.50@ 83.60	83.95	83.95
German Imperial 3s.....	82	@ 75½	77½@ 74	74.20	74.20
Italian Rentes 3½ per cents.....	99	@ 91½	97@ 94½	95.65	95.65
Japanese 4½s.....	93½	@ 89½	90½@ 83½	87½	87½
Republic of Cuba 5s.....	104	@ 101½	102½@ 99½	100½	100½
Russian 4s, Series 2.....	95	@ 86½	91½@ 89	88½	88½
United States of Mexico 4s.....	94	@ 88	87½@ 81	85	85

# New York Stock Exchange Transactions

Week Ended June 28

Total Sales 1,302,883 Shares

High and low prices for the week may be for odd lots; high and low prices for the year are based on 100-share lots, the official unit.

Range		Range		STOCKS.	Amount Capital Stock Listed.	Last Dividend Paid Date.	Per Cent.	Per. Paid.	Range for Week Ended June 28.			Week's Net Changes.	Week Ended, June 28.
High.	Low.	High.	Low.						High.	Low.	Last.		
205	164 1/2	150	139 1/2	ADAMS EXPRESS CO.	\$12,000,000	June 2, '13	3	..	..	..	*130	..	..
..	..	7 1/2	6 1/2	Allis-Chalmers Co., t. r., 5th pd.	19,820,000	..	..	..	6 1/2	6 1/2	6 1/2	..	100
..	..	16 1/2	12 1/2	Allis-Chalmers Co. pf., t. r., 5th pd.	16,050,000	..	..	..	14	14	14	+ 1/4	250
92 3/4	60	80 1/2	61 1/2	Amalgamated Copper Co.	153,887,900	May 26, '13	1 1/2	Q	65 1/2	62 1/2	65 1/2	+ 3 1/4	117,930
63 1/4	54 1/4	57	44	American Agricultural Chemical Co.	18,330,900	Apr. 15, '13	1	Q	44 1/2	44	44 1/2	- 3/4	486
104 1/4	98	99	92 1/2	Amer. Agricultural Chemical Co. pf.	27,112,700	Apr. 15, '13	1 1/2	Q	..	..	92	..	..
77	46 1/2	50 1/2	19 1/4	American Beet Sugar Co.	15,000,000	Nov. 15, '12	1 1/4	..	23	21	21	..	1,400
101 1/4	90	86	72 1/2	American Beet Sugar Co. pf.	5,000,000	Apr. 1, '13	1 1/2	Q	..	..	72 1/2	..	..
107 3/4	91 1/2	96 1/2	90	Amer. Brake Shoe & Foundry Co.	4,000,000	June 30, '13	1 1/4	Q	..	..	90	..	..
160	130	136 1/2	128	Am. Brake Shoe & Foundry Co. pf.	5,000,000	June 30, '13	2	Q	..	..	128	..	..
47 1/2	11 1/4	46 1/2	21	American Can Co.	41,233,300	..	..	..	27 1/2	25 1/2	27 1/2	+ 2	23,125
126 1/4	90 3/4	129 1/2	80 1/2	American Can Co. pf.	41,233,300	Apr. 1, '13	1 1/2	Q	87 1/2	85 1/2	86 1/2	+ 2 1/4	2,900
63 1/2	49 1/2	56 1/2	36 1/2	American Car & Foundry Co.	30,000,000	Apr. 1, '13	1 1/2	Q	43	40 1/2	42 1/2	+ 1 1/2	2,900
120	115	117	108	American Car & Foundry Co. pf.	30,000,000	Apr. 1, '13	1 1/4	Q	109 1/2	109 1/2	109 1/2	..	10
60 1/2	30 1/4	48 1/2	33 1/2	American Cities	16,264,700	..	..	..	33 1/2	33 1/2	33 1/2	..	500
84 1/4	75 1/2	78 1/2	60 1/2	American Cities pf.	20,553,500	Jan. 9, '13	3	SA	61 1/2	60 1/2	60 1/2	- 5/8	500
85	85	75	75	American Coal	1,500,000	Mar. 1, '13	3	SA	..	..	75	..	..
98	94	87	87	American Coal Products	10,639,300	Mar. 31, '13	1 1/4	Q	..	..	87	..	..
114	108 1/2	109 1/2	109 1/2	American Coal Products pf.	2,500,000	Apr. 15, '13	1 1/4	Q	..	..	109 1/2	..	..
60 1/4	45 1/2	57 1/2	33 1/2	American Cotton Oil Co.	20,237,100	June 1, '11	2 1/2	..	37	36	36 1/2	+ 1/2	1,300
99 1/4	95	98	93 1/2	American Cotton Oil Co. pf.	10,198,600	June 2, '13	3	SA	93 1/2	93 1/2	93 1/2	..	100
220	160	166	159	American Express Co.	18,000,000	Apr. 1, '13	3	Q	159 1/2	159 1/2	159 1/2	- 1/4	150
7 1/4	3	5 1/2	3 1/2	American Hide & Leather Co.	11,274,100	..	..	..	3 1/2	3 1/2	3 1/2	- 1/4	100
34	20	28 1/4	15 1/2	American Hide & Leather Co. pf.	12,548,300	Aug. 15, '05	1	..	18	17 1/2	18	..	400
30 1/2	18	27 1/2	17	American Ice Securities Co.	19,045,100	July 20, '07	1 1/4	..	21 1/2	21	21 1/2	- 1/2	300
17 1/2	9 1/4	11 1/2	6 1/2	American Linseed Co.	16,750,000	..	..	..	8 1/2	8 1/2	8 1/2	+ 1/4	500
43	30	31 1/2	20 1/2	American Linseed Co. pf.	16,750,000	Sep. 1, '08	1 1/4	..	..	..	23	..	..
47 1/2	31 1/4	44 1/2	27	American Locomotive Co.	25,000,000	Aug. 26, '08	1 1/4	..	28 1/2	28 1/2	28 1/2	- 1 1/4	200
110 1/2	103	106 1/2	100	American Locomotive Co. pf.	25,000,000	Apr. 21, '13	1 1/4	Q	..	..	100	..	..
19 1/2	4 1/4	13	7 1/4	American Malt Corporation	5,739,200	..	..	..	..	..	8 1/2	..	..
69 1/4	42	61 1/2	45 1/2	American Malt Corporation pf.	8,821,900	May 2, '13	2 1/2	SA	48	47	48	..	490
91	60 1/2	74 1/2	58 1/2	Amer. Smelting & Refining Co.	50,000,000	June 16, '13	1	Q	63 1/2	60 1/2	62 1/2	+ 1 1/4	9,875
109 1/2	102 1/2	107	97	Amer. Smelting & Refining Co. pf.	50,000,000	June 2, '13	1 1/4	Q	90 1/2	90 1/2	90 1/2	+ 1/4	305
89 1/2	84	86	79 1/2	Amer. Smelting Securities pf. B.	30,000,000	Apr. 1, '13	1 1/4	Q	..	..	81	..	..
203 1/4	123	132	158	American Snuff Co.	11,001,700	Apr. 1, '13	3	Q	..	..	170	..	..
105	99	105	100	American Snuff Co. pf., new.	3,940,200	Apr. 1, '13	1 1/2	Q	..	..	100 1/2	..	..
44 1/2	26	40 1/2	25	American Steel Foundries	16,218,000	June 30, '13	1 1/2	Q	26	26	26	+ 1/4	100
133 1/2	113 1/2	118	104 1/4	American Sugar Refining Co.	45,000,000	Apr. 2, '13	1 1/4	Q	107 1/2	107 1/2	107 1/2	+ 1	202
124	115 1/2	116 1/2	110 1/2	American Sugar Refining Co. pf.	45,000,000	Apr. 2, '13	1 1/4	Q	112	112	112	..	100
78	66	66 1/2	59	American Telegraph & Cable Co.	14,000,000	June 2, '13	1 1/4	Q	..	..	62	..	..
149 1/2	137 1/2	140	125 1/2	Amer. Telephone & Telegraph Co.	344,515,900	Apr. 15, '13	2	Q	129 1/2	128	129 1/2	+ 1 1/2	2,575
224 1/2	241 1/4	294 1/2	200	American Tobacco Co.	40,242,400	June 2, '13	5	Q	215	215	215	+ 1	220
109	102	106	100	American Tobacco Co. pf.	1,298,700	Apr. 1, '13	1 1/2	Q	..	..	106	..	..
106 1/2	101 1/2	106 1/2	98 1/2	American Tobacco Co. pf., new.	51,690,100	Apr. 1, '13	1 1/2	Q	99 1/2	99 1/2	99 1/2	+ 1/2	150
99 1/2	97 1/2	99	94	American Water Works pf.	10,000,000	Apr. 1, '13	1 1/2	Q	..	..	95	..	..
31	18	21	16 1/2	American Woolen Co.	20,000,000	..	..	..	..	..	16 1/2	..	..
94 1/2	70	81	74	American Woolen Co. pf.	40,000,000	Apr. 15, '13	1 1/4	Q	74 1/2	74 1/2	74 1/2	- 2	110
41 1/2	25 1/4	32 1/2	20	American Writing Paper pf.	12,500,000	Apr. 1, '13	1	SA	24 1/2	23 1/2	24 1/2	+ 1/4	300
48	34	41 1/2	30 1/2	Anaconda Copper Mining Co.	108,312,500	Apr. 16, '13	75c	Q	33 1/2	32 1/2	33 1/2	+ 1 1/4	4,210
127 1/2	105 1/2	120	91	Assets Realization Co.	9,990,000	Apr. 1, '13	2	Q	91	91	91	- 4	100
47	41 1/2	42 1/2	42 1/2	Associated Oil Co.	40,000,000	Apr. 15, '13	1 1/2	..	..	..	43 1/2	..	..
111 1/2	103 1/4	106 1/2	92 1/2	Atchafalpa, Topeka & Santa Fe	190,495,000	June 2, '13	1 1/2	Q	96 1/2	95	95 1/2	+ 1/4	10,600
104 1/4	101 1/2	102 1/2	96 1/2	Atchafalpa, Topeka & Santa Fe pf.	114,199,500	Feb. 1, '13	2 1/2	SA	98 1/2	98	98	+ 1/4	5,400
148 1/2	130 1/2	133 1/2	112	Atlantic Coast Line	67,557,100	Jan. 10, '13	3 1/2	SA	116	114 1/2	115	..	700
60 1/4	49	53 1/2	40	BALDWIN LOCOMO. WORKS	20,000,000	Jan. 1, '13	1	SA	41	40	40	- 1	200
108 1/4	102 1/2	105 1/2	100 1/4	Baldwin Locomotive Works pf.	20,000,000	Jan. 1, '13	3 1/2	SA	100 1/2	100 1/2	100 1/2	- 1/4	200
111 1/2	101 1/4	106 1/2	90 1/2	Baltimore & Ohio	152,314,800	Mar. 1, '13	3	SA	94 1/4	92 1/4	94 1/4	+ 1/4	5,025
91	80 1/2	88	77 1/2	Baltimore & Ohio pf.	60,000,000	Mar. 1, '13	2	SA	80	80	80	+ 2 1/2	100
2 1/2	1 1/4	1 1/2	1	Batopilas Mining	8,931,980	Dec. 31, '07	12 1/2c	..	..	..	1 1/4	..	..
51 1/2	27 1/2	41 1/2	25	Bethlehem Steel Corporation	14,862,000	..	..	..	28 1/2	27 1/2	27 1/2	- 1/2	600
80	56 1/2	72 1/2	62 1/4	Bethlehem Steel Corporation pf.	14,908,000	Apr. 25, '13	1 1/4	Q	66	66	66	+ 1/2	125
94 1/2	76 1/2	92 1/2	83 1/2	Brooklyn Rapid Transit Co.	49,078,600	Apr. 1, '13	1 1/4	Q	87 1/2	86 1/2	87 1/2	+ 1/2	6,000
149	137 1/2	137 1/2	121	Brooklyn Union Gas	17,999,000	Apr. 1, '13	1 1/2	Q	125	123 1/2	125	+ 2	200
11 1/4	7 1/2	8 1/2	6 1/2	Brunswick T. & R. Securities Co.	7,000,000	..	..	..	6	6	6	..	10
119 1/2	105	116	100 1/2	Buffalo, Rochester & Pittsburgh	10,500,000	Feb. 15, '13	3	SA	..	..	100 1/2	..	..
40 1/2	28	31	25	Butterick Co.	14,647,200	June 2, '13	1 1/4	Q	25	25	25	- 2 1/4	100
72 1/2	49 1/4	56 1/2	29 1/4	CALIFORNIA PETROLEUM	14,463,800	Apr. 1, '13	1 1/4	Q	29	28 1/2	29	+ 1 1/4	1,100
93 1/2	84	86	58	California Petroleum pf.	12,163,200	Apr. 1, '13	1 1/4	Q	58 1/2	58	58	- 1	400
67 1/2	65	63	58 1/2	Canada Southern	15,000,000	Feb. 1, '13	1 1/2	SA	..	..	58 1/2	..	..
283	226 1/2	266 1/2	210 1/4	Canadian Pacific	199,395,500	June 30, '13	2 1/2	Q	218 1/2	214 1/2	2		



### New York Stock Exchange Transactions---Continued

Range	Per Year 1912.	High.	Date.	Low.	Date.	STOCKS	Amount	Last Dividend Paid Date.	Per Cent.	Per. Vol.	Range for Week Ended June 28.	Week's Net Changes.	Sales		
High.	Low.	High.	Low.	High.	Low.	Stock Listed.	Dividend Paid Date.	Per Cent.	Per. Vol.	High.	Low.	High.	Low.	June	
188%	155	187	Jan. 2	120%	June 10	General Electric Co.....	101,375,800	Apr. 15, '13	2	Q	136½	133½	+ 1%	1.0	
42%	30	34½	Jan. 7	25	May 15	General Motors .....	15,673,200							4	
82%	70%	79	Jan. 7	70	May 8	General Motors pf. ....	13,992,100	May 1, '13	3½	SA	72½	72½	+ ¼	2½	
81	60%	68	Jan. 2	25½	June 10	Goodrich (E. F.) Co. ....	60,000,000	Feb. 15, '13	1	Q	28¾	27½	+ ¾	1.0	
100%	105	105½	Jan. 7	89	June 10	Goodrich (E. F.) Co. pf. .	30,000,000	Apr. 1, '13	1½	Q	92½	90	+ 2½	4	
143%	126	132%	Jan. 9	115½	June 10	Great Northern pf. ....	200,990,200	May 1, '13	1¾	Q	123	121½	+ 2½	3.6	
		125% Apr. 1	116½	June 13	Gt.Northern pt.sub. rec. 60 p.c. pd.							116½			
53	36	41¼	Jan. 3	25½	June 10	Great Northern cfs. for ore prop.	1,500,000	Dec. 27, '12	50c		34½	29¾	+ 0	12.5	
62%	47	52¼	Jan. 7	41	June 21	Guggenheim Exploration ..	20,262,000	Apr. 1, '13	62½c	Q	42½	41½	+ 1	5	
89	85½	87	Feb. 6	81½	May 29	HAVANA ELECTRIC RT. L. & P.	15,000,000	May 15, '13	2½	SA			78		
96½	95½	96	Jan. 8	96	Jan. 8	Havana Electric Ry., Lt. & P. pf.	15,000,000	May 15, '13	3	SA			96		
200	155	180	Jan. 11	150	May 19	Helme (G. W.) Co. ....	4,000,000	Apr. 1, '13	2½	Q			150		
116	109½	109	June 4	109	June 4	Helme (G. W.) Co. pf. ....	3,940,200	Apr. 1, '13	1¾	Q			109		
150	127	125	June 4	125	June 4	Hocking Valley .....	11,000,000	June 28, '13	21½	Q			125		
112	86½	117½	Feb. 3	100%	June 4	Homestake Mining .....	25,116,000	June 25, '13	65c	M	102¼	101	101		
141½	120%	128½	Feb. 5	108½	June 21	ILLINOIS CENTRAL .....	100,296,000	Mar. 1, '13	3½	SA	111½	109½	+ ¼	1.1	
21½	16%	19½	Jan. 2	14½	June 10	Inspiration Consolidated Copper	14,458,960				15	14½	14½	- ¼	1.3
22	16¼	19%	Jan. 30	12%	June 4	Interborough-Met. vot. tr. cts.	60,419,500				15½	14½	15	+ ¼	3
67%	52%	65%	Jan. 30	45	June 4	Interborough-Met pf. ....	16,955,900				57½	54	55½	+ ½	21
53½	36	39	Jan. 11	5	June 6	International Agricultural Co.	7,520,000						5		
99	89	90	Jan. 3	35	June 6	International Agricultural Co. pf.	12,955,600	Jan. 15, '13	3½	SA			35		
		109	Feb. 28	96	June 10	International Harvester, N. J.	39,755,000	Apr. 15, '13	1½	Q	105	102½	102½	- 1½	1.2
		113	May 5	111	May 12	Internat. Harvester, N. J. pf.	29,796,700	June 2, '13	1½	Q			113		
		107½	Mar. 29	95½	June 10	International Harvester Corp.	39,755,300	Apr. 15, '13	1½	Q	104½	102½	102½	- 1½	4
		113½	May 7	111	May 12	International Harvester Corp. pf.	29,796,400	June 2, '13	1½	Q			111½		
19½	9%	12%	Jan. 30	7½	June 10	International Paper Co. ....	17,442,900						8½		
62%	45%	48½	Jan. 30	36	June 12	International Paper Co. pf. ....	22,539,700	Apr. 15, '13	½	Q	37½	37½	37½	+ ¼	2
34	12	18½	Jan. 9	6	May 5	International Steam Pump Co.	17,762,500	Apr. 1, '05	½		6½	6½	6½	- ½	10
84%	63	70	Jan. 9	22½	June 13	International Steam Pump Co. pf.	11,350,000	Feb. 1, '13	1½				22½		
15	10½	10½	Jan. 30	8	Mar. 19	Iowa Central .....	3,657,000						8		
30	22	23	Jan. 2	13	June 6	Iowa Central pf. ....	2,706,400	May 1, '00	1½				13		
81	74½	78	Jan. 7	65	June 23	KAN. CITY, FT. SCOTT & MEM. pf.	13,510,000	Apr. 1, '13	1	Q	65	65	65	- 4	10
31¼	22½	27%	June 19	21%	June 5	Kansas City Southern .....	30,000,000				27	25½	26	+ ¼	3.4
65½	56	61½	Jan. 7	56	June 11	Kansas City Southern pf. ....	21,000,000	Apr. 15, '13	1	Q	59½	58	58		0.8
95½	90	94	Feb. 3	83	June 11	Kayser (Julius) & Co. ....	6,000,000	Apr. 1, '13	1	Q	81	81	81		4
109	107	110	Jan. 2	107½	Jan. 22	Kayser (Julius) & Co. 1st pf.	2,750,000	May 1, '13	1½	Q			108½		
9½	5½	7	May 13	5½	Jan. 11	Keokuk & Des Moines .....	2,600,400						7		
55	43	45	Feb. 4	45	Feb. 4	Keokuk & Des Moines pf. ....	1,524,600	Apr. 1, '13	3½	A			45		
89½	71	81	Feb. 5	58	June 9	Kresge (S. S.) Co. ....	4,967,700						59		
100%	100	102	Jan. 4	97	June 10	Kresge (S. S.) Co. pf. ....	1,811,900	Apr. 1, '13	1¾	Q			97		
55½	29	49½	Feb. 4	29%	June 7	LACKAWANNA STEEL CO. ....	34,978,000	Jan. 31, '13	1	Q			30		
108¾	102½	104½	Jan. 8	90%	June 10	Laclede Gas Co. ....	10,700,000	June 16, '13	1¾	Q	94	94	94		10
48	11%	11½	Feb. 5	7	May 2	Lake Erie & Western .....	11,840,000				8½	8	8	- ¾	30
10	30	35	Jan. 6	25	Mar. 18	Lake Erie & Western pf. ....	11,840,000	Jan. 15, '08	1				25		
*495	*450	*500	May 14	*470	May 14	Lake Shore .....	49,465,500	Jan. 29, '13	6	SA			490		
185½	155%	168%	Jan. 2	141½	June 10	Lehigh Valley .....	60,501,700	Jan. 11, '13	5	SA	152½	144½	147	+ 3%	22.00
225	156%	235	Mar. 6	195	June 6	Liggett & Myers .....	21,496,400	June 2, '13	3	Q	210	210	210	+15	10
118	105½	116½	Jan. 23	110	June 6	Liggett & Myers pf. ....	15,145,400	Apr. 1, '13	1½	Q			110		
54½	43½	43%	Jan. 6	30	June 10	Long Island .....	12,000,000	Nov., 1896	1				31		
47%	36	39%	Jan. 6	21	June 11	Loose-Wiles Biscuit Co. ....	8,000,000						26		
105%	102½	105	Jan. 9	94%	June 10	Loose-Wiles Biscuit Co. 1st pf.	5,000,000	Apr. 1, '13	1¾	Q	90	97	97	+ 2½	20
92%	90	95	Jan. 8	86½	June 26	Loose-Wiles Biscuit Co. 2d pf.	2,000,000	May 1, '13	1¾	Q	86½	86½	86½	- 3½	10
215½	167	200	Jan. 28	155	June 13	Lorillard (P.) Co. ....	15,155,600	Apr. 1, '13	2½	Q			153		
118	107%	116½	Jan. 22	103	June 10	Lorillard (P.) Co. pf. ....	11,441,400	Apr. 1, '13	1¾	Q			103		
170	139	142½	Jan. 10	126½	June 11	Louisville & Nashville .....	71,961,200	Feb. 10, '13	3½	SA	131½	130	131	+ 1	1.10
		138½	Feb. 6	138%	Feb. 6	Louis. & Nashville sub. rec. 1st pf.							138½		
92¼	75½	87	Jan. 21	76	June 20	MACKAY COMPANIES .....	41,380,400	Apr. 1, '13	1½	Q	77	77	77	+ 1	10
70%	66	69	Apr. 7	66	June 7	Mackay Companies pf. ....	50,000,000	Apr. 1, '13	1	Q			66		
138¾	128%	132%	Jan. 7	127	June 9	Manhattan Elevated gtd. ....	56,528,100	Apr. 1, '13	1¾	Q	127½	127	127	- ½	2
88	69	76%	Jan. 2	66	Feb. 20	May Department Stores .....	15,000,000	June 1, '13	1½	Q	67½	67	67	- 1	30
112	105	105½	Jan. 2	97%	June 10	May Department Stores pf. ....	8,250,000	Apr. 1, '13	1¾	Q			99		
7½	4	4%	Jan. 2	2%	June 10	Mercantile Marine .....	43,336,600				3%	3¼	3¼	- ¼	25
26	15%	19½	Jan. 7	12½	June 10	Mercantile Marine pf. ....	41,936,500				14½	13%	13½	- ¼	80
90½	62%	78½	Feb. 4	50%	Apr. 15	Mexican Petroleum .....	28,062,800	May 31, '13	1½	Q	90%	58%	59	+ ¾	1.80
104	99	99%	Jan. 2	85	June 18	Mexican Petroleum pf. ....	8,417,300	Apr. 20, '13	2	Q			85		
		*170	Jan. 24	*170	Jan. 24	Michigan Central .....	18,738,000	Jan. 29, '13	3	SA			*170		
30%	23½	26%	Jan. 4	20%	June 10	Miami Copper .....	3,733,200	May 15, '13	50c	Q	21¼	20%	20%		1.82
27½	18½	23½	Jan. 2	12	June 11	Minneapolis & St. Louis .....	11,169,400	July 15, '04	2½		15½	15½	15½	- ¾	11
51½	44%	47	Jan. 29	32	June 12	Minneapolis & St. Louis pf. ....	5,644,700	Jan. 15, '10	2½				32		
154½	129	142½	Jan. 9	115½	June 11	Minneapolis, St. Paul & S. S. Marie.	25,206,800	Apr. 15, '13	3½	SA	124½	123	124½	- ¾	52
158	146	145	Apr. 8	133	June 11	Minneapolis, St. P. & S. S. Marie pf.	12,093,400	Apr. 15, '13	3½	SA			133		
88%	84	82½	Mar. 5	83½	Mar. 5	Mina., St. P. & S. S. M. leased line.	11,169,000	Apr. 1, '13	2	SA			83½		
31%	25½	29%	Jan. 7	18½	June 10	Missouri, Kansas & Texas .....	63,300,300				21%	19%	21¼	+ 1½	3.40
66	57%	64½	Apr. 11	52	June 10	Missouri, Kansas & Texas pf. ....	13,000,000	May 10, '13	2	SA	58½	57	57		30
47%	35	43%	Jan. 9	25%	June 10	Missouri Pacific .....	83,112,500	Jan. 30, '08	2½		31%	28%	30	+ 1½	9.60
175%	175	*161	June 3	*161	June 3	Morris & Essex .....	15,000,000	Jan. 1, '13	3½	SA			*161		
180	160%	170	Jan. 14	132½	June 6	NASH, CHAT. & ST. LOUIS....	10,000,000	Feb. 3, '13	3½	SA			135		
161	114	128½	Jan. 3	104	June 11	National Biscuit Co. ....	20,236,000	Apr. 15, '13	1¾	Q	113%	100%	112	+ 2	95
131	122	124%	Jan. 8	116	June 4	National Biscuit Co. pf. ....	24,804,500	May 31, '13	1¾	Q			116		
26	12%	19%	Jan. 30	9	June 5	National Enameling & Stamping Co.	15,591,800	July 15, '05	½				107%		
95%	88	92¼	Jan. 30	75	May 29	Nat. Enameling & Starph. Co. pf.	8,546,600	June 30, '13	1¾	Q			75		
68½	51½	56¼	Jan. 2	44	June 9	National Lead Co. ....	20,655,400	June 30, '13	¾	Q	45%	45½	45½	- 1½	20
110%	105½	107%	Jan. 2	102½	June 10	National Lead Co. pf. ....	24,367,600	June 16, '13	1¾	Q	106	106	106	- 1½	106
71	62½	59	Mar. 3	36	June 27	National Railways of Mexico 1st pf.	28,831,000	Feb. 10, '13	2	SA	36	36	36	- 7	106
36%	26%	27½	Jan. 2	11	June 27	National Railways of Mexico 2d pf.	124,540,700				15¼	11	14	- 2	5.300
24%	18%	20	Jan. 2	13	June 10	Nevada Con. Copper Co. ....	9,997,285	June 30, '13	37½c	Q	14½	14	14½	+ ¾	9.200
85	50	82½	Jan. 8	58½	June 6	New York Air Brake .....	10,000,000	June 20, '13	1½	Q	60	60	60	- 1	100
121½	106%	109%	Jan. 30	95%	June 27	New York Central .....	224,247,000	Apr. 15, '13	1½	Q	98%	95%	97½	- ¾	9.700
61½	53	63½	Jan. 15	52½	June 9	New York, Chicago & St. Louis....	14,000,000	Mar. 1, '13	4	A	53%	53%	53½	+ ¾	100
103	102½	*102	June 24	*102	June 24	New York, Chi. & St. Louis 1st pf.	5,000,000	Mar. 1, '13	2½	SA	102	102	102		20
400	350½	365	May 28	365	May 28	New York & Harlem .....	8,638,650	Jan. 2, '13	5	SA			365		
142½	126	129%	Jan. 20	99½	June 13	New York, New Haven & Hartford.	180,013,200	June 30, '13	1½	Q					

**New York Stock Exchange Transactions---Continued**

Range		For		Date		STOCKS.		Amount		Last		Per		Per		Range for Week Ended		Week's		Sale	
High.	Low.	High.	Date.	Low.	Date.	Stock.	Stock Listed.	Dividend Paid Date.	Cent.	Intd.	High.	Low.	Last.	%	%	High.	Low.	Last.	%	%	June 20.
8 1/2	3 1/2	4 1/2	May 16	2 1/2	June 24	QUICKSILVER	5,708,700									2 1/2	2 1/2	2 1/2	+ 1/2	+	200
12 1/2	3 1/2	8	May 17	4	Feb. 8	Quicksilver pf.	4,291,300	May 8, '01	1/2		7	6	6			7	6	6			90
40 1/2	27 1/2	35	Jan. 9	22 1/2	June 11	RAILWAY STEEL SPRING CO.	13,500,000	May 20, '13	2		24 1/2	24	24	- 1/2							500
105	98 1/2	100	Jan. 13	90 1/2	June 10	Railway Steel Spring Co. pf.	13,500,000	June 20, '13	1 1/2	Q			92								
88 1/2	86 1/2	*81	Jan. 10	*79	Mar. 4	Railroad Sec. Ill. Cent. stock cfs.	8,000,000	Jan. 1, '13	2	SA			*79								
24 1/2	16	22	Jan. 2	15	June 10	Ray Consolidated Copper	14,488,200	June 30, '13	37 1/2c	Q	17 1/2	16 1/2	16 1/2								10,885
170 1/2	148 1/2	168 1/2	Jan. 2	151 1/2	Jun. 10	Reading	70,000,000	May 8, '13	2	Q	158 1/2	155 1/2	158 1/2	+ 3/4							236,220
83 1/2	87 1/2	92 1/2	Apr. 10	86	June 10	Reading 1st pf.	28,000,000	June 12, '13	1	Q			86								
101 1/2	92	95	Apr. 10	84	June 10	Reading 2d pf.	42,000,000	Apr. 10, '13	1	Q	86	86	86								100
35 1/2	15 1/2	28 1/2	Jan. 31	17	June 10	Republic Iron & Steel Co.	27,352,000				19 1/2	18	18 1/2	+ 1/2							3,145
99 1/2	64 1/2	89 1/2	Feb. 1	72	June 11	Republic Iron & Steel Co. pf.	25,000,000	Apr. 1, '13	1 1/2	Q	75 1/2	74 1/2	75 1/2	+ 1/2							480
30 1/2	22 1/2	24 1/2	Feb. 4	12 1/2	June 10	Rock Island Co.	90,888,200				16 1/2	14 1/2	16	+ 1							7,600
59 1/2	42 1/2	44 1/2	Jan. 2	20 1/2	June 10	Rock Island Co. pf.	49,947,400	Nov. 1, '05	1		26 1/2	25	25 1/2	+ 1 1/2							3,710
101	89 1/2	92 1/2	Jan. 7	17	June 27	Rumely (M.) Co.	10,968,300	Mar. 3, '13	1 1/2		20 1/2	17	17	- 3							900
102 1/2	99 1/2	99 1/2	Jan. 4	39	June 27	Rumely (M.) Co. pf.	9,750,000	Apr. 1, '13	1 1/2	Q	42	39	39	- 1							1,25
		*48	Mar. 8	*48	Mar. 8	ST. LOUIS & GRAND I. 1st pf.	5,500,000	July 15, '02	2 1/2				*48								
29 1/2	17 1/2	19 1/2	Jan. 11	23 1/2	June 17	St. Louis & San Francisco	29,000,000				4	3 1/2	3 1/2	+ 1/2							1,900
69 1/2	58 1/2	59	Feb. 11	13	June 28	St. Louis & San Francisco 1st pf.	5,000,000	May 1, '05	1	Q	17	13	13	- 2							200
43 1/2	26 1/2	29	Jan. 11	5 1/2	June 17	St. Louis & San Francisco 2d pf.	16,000,000	Dec. 1, '05	1		6 1/2	5 1/2	5 1/2	- 1/2							850
57	47	54 1/2	Jan. 17	30	May 27	St. L. & S. F. C. & E. I. n. stock cfs.	13,761,000	Jan. 1, '13	2	SA			30								
110	100 1/2	96 1/2	May 15	96 1/2	May 15	St. L. & S. F. C. & E. I. pf. stock cfs.	8,402,500	Apr. 1, '13	1 1/2	Q			96 1/2								
40 1/2	29 1/2	35 1/2	Jan. 13	26	June 4	St. Louis Southwestern	16,356,200				26 1/2	26 1/2	26 1/2	- 1/2							150
68 1/2	68 1/2	75	Jan. 9	65	June 12	St. Louis Southwestern pf.	19,883,700	Apr. 15, '13	1 1/2	Q			68								
27 1/2	18	20 1/2	Apr. 1	14 1/2	June 10	Seaboard Air Line	33,176,500				19	17 1/2	18 1/2	+ 1 1/2							600
56 1/2	44 1/2	48 1/2	Jan. 29	38	June 12	Seaboard Air Line pf.	22,468,000				42 1/2	41 1/2	42 1/2	+ 1							1,300
22 1/2	14	21 1/2	Jan. 2	15 1/2	June 12	Sears, Roebuck & Co.	40,000,000	May 15, '13	1 1/2	Q			16 1/2								
124 1/2	121	124 1/2	Jan. 2	116	June 19	Sears, Roebuck & Co. pf.	8,000,000	Apr. 1, '13	1 1/2	Q			116								
50 1/2	39 1/2	45 1/2	Jan. 28	24 1/2	June 12	Sloss-Sheffield Steel & Iron Co.	10,000,000	Sep. 1, '10	1 1/2		24 1/2	24 1/2	24 1/2	- 1/2							100
105	94	93 1/2	Feb. 8	88	Apr. 30	Sloss-Sheffield Steel & Iron Co. pf.	6,700,000	Apr. 1, '13	1 1/2	Q			88								
83	74 1/2	70	Jan. 6	70	Jan. 6	South Porto Rico Sugar	3,371,000	Apr. 1, '13	1	Q			70								
110	109	*108	Jan. 17	*102	June 2	South Porto Rico Sugar pf.	3,708,500	Apr. 1, '13	2	Q			*102								
115 1/2	103 1/2	110	Jan. 30	89 1/2	June 11	Southern Pacific	27,267,200	Apr. 1, '13	1 1/2	Q	96	93 1/2	95 1/2	+ 2 1/2							13,800
32	26 1/2	28 1/2	Jan. 2	19 1/2	June 12	Southern Railway extended	119,900,000				22	20	21 1/2	+ 1/2							9,400
86 1/2	68 1/2	81 1/2	Mar. 26	72	June 10	Southern Railway pf. extended	60,000,000	Apr. 24, '13	2 1/2	SA	75 1/2	73 1/2	73 1/2	- 1/2							600
86	82	72 1/2	Mar. 12	72 1/2	Mar. 12	So. Ry., M. & O. stock tr. cfs.	5,670,200	Apr. 1, '13	2	SA			72 1/2								
36	16 1/2	40 1/2	Jan. 21	31 1/2	Apr. 25	Standard Milling	4,600,000	Aug. 3, '12	2				34 1/2								
66	53	66 1/2	Feb. 4	52 1/2	May 1	Staalard Milling pf.	6,900,000	Apr. 15, '13	2 1/2	SA			56								
49 1/2	30	36	Feb. 6	21 1/2	June 12	Studebaker Co.	27,931,600				25	25	25	+ 1/2							800
98 1/2	90 1/2	93 1/2	Jan. 13	82 1/2	June 17	Studebaker Co. pf.	12,650,000	June 2, '13	1 1/2	Q			85 1/2								
47 1/2	34 1/2	39 1/2	Jan. 4	26 1/2	June 10	TENNESSEE COPPER	5,000,000	June 20, '13	75c		30	28 1/2	29	- 1/2							3,600
130 1/2	81	122 1/2	Jan. 10	89	June 10	Texas Co.	27,000,000	June 30, '13	1 1/2	Q	103	98	103	+ 3							1,200
26 1/2	20 1/2	22 1/2	Jan. 8	10 1/2	June 4	Texas Pacific	38,760,000				13 1/2	13	13	- 1/2							300
97 1/2	89	97	Jan. 18	93	June 4	Texas Pacific Land Trust	4,076,900						93								
49 1/2	33 1/2	40 1/2	Jan. 2	27 1/2	June 10	Third Avenue	16,377,500				32	31	31								2,100
108 1/2	2 1/2	3	Jan. 14	2	June 4	Toledo Railways & Light	13,875,000	May 1, '07	1				2								
16 1/2	10 1/2	13	Jan. 9	9	May 13	Toledo, St. Louis & Western	10,000,000						9								
36	28	29 1/2	Jan. 9	15 1/2	June 4	Toledo, St. Louis & Western pf.	10,000,000	Oct. 16, '11	1		18 1/2	18	18 1/2	+ 1/2							200
111 1/2	103	108 1/2	Jan. 23	101 1/2	June 6	Twin City Rapid Transit	20,100,000	Apr. 1, '13	1 1/2	Q	103 1/2	103 1/2	103 1/2	+ 1 1/2							100
145	145	137 1/2	May 2	135	June 6	Twin City Rapid Transit pf.	3,000,000	Apr. 1, '13	1 1/2	Q			135								
115 1/2	95	99 1/2	Jan. 3	78	June 10	UNDERWOOD TYPEWRITER	8,500,000	Apr. 1, '13	1	Q	84	83	84	+ 2							200
114 1/2	111	113	Jan. 21	110	Apr. 8	Underwood Typewriter pf.	4,800,000	Apr. 1, '13	1 1/2	Q			110								
17 1/2	4 1/2	7 1/2	Jan. 3	4 1/2	June 11	Union Bag & Paper Co.	16,000,000				4 1/2	4 1/2	4 1/2								100
67 1/2	35 1/2	41 1/2	Jan. 3	22	June 25	Union Bag & Paper Co. pf.	11,000,000	Oct. 15, '12	1		25	22	25	- 1/2							400
176 1/2	150 1/2	162 1/2	Jan. 6	137 1/2	June 11	Union Pacific	216,647,500	Apr. 1, '13	2 1/2	Q	149 1/2	141 1/2	148 1/2	+ 7 1/2							238,175
96 1/2	88 1/2	93 1/2	Jan. 6	79 1/2	June 10	Union Pacific pf.	99,569,300	Apr. 1, '13	2	SA	81 1/2	80 1/2	80 1/2	+ 1/2							800
64 1/2	47	50 1/2	Feb. 7	40 1/2	June 10	United Cigar Manufacturers	10,847,500	May 1, '13	1	Q			41								
109	104	103	May 7	98 1/2	May 5	United Cigar Manufacturers pf.	5,000,000	May 31, '13	1 1/2	Q			104 1/2								
102 1/2	97 1/2	101	Jan. 8	90	June 12	United Dry Goods	14,427,500	May 1, '13	2	Q			90								
107 1/2	102 1/2	105 1/2	Jan. 14	98 1/2	June 17	United Railways Investment Co.	20,400,000				1 1/2	Q									
39 1/2	28	35 1/2	Jan. 3	16	June 11	United Dry Goods pf.	10,840,500	May 31, '13			20 1/2	20	20								300
69 1/2	57	63 1/2	Jan. 3	30	June 11	United Railways Investment Co. pf.	15,000,000	Jan. 10, '07	2 1/2		35	34	34	+ 1							520
22 1/2	13	16 1/2	Jan. 30	9 1/2	June 10	United States Cast Iron P. & Fdy. Co.	12,106,300	Dec. 1, '07	1		9 1/2	9 1/2	9 1/2	+ 1/2							300
64 1/2	50	56 1/2	Jan. 31	44 1/2	June 6	United States Cast I.P. & Fdy. Co. pf.	12,106,300	Apr. 15, '13	1	Q			48								
100	62 1/2	66	Jan. 3	50 1/2	Feb. 26	United States Express Co.	10,000,000	May 15, '12	3				55 1/2								
57 1/2	26	44	Jan. 6	25	June 9	United States Industrial Alcohol	12,000,000				28 1/2	28 1/2	28 1/2	+ 3/4							100
105	95	97	Mar. 4	85	June 18	United States Industrial Alcohol pf.	6,000,000	Apr. 15, '13	1 1/2	Q			85								
89 1/2	67	77	Jan. 9	59 1/2	June 11	United States Realty & Improv. Co.	16,182,800	May 1, '13	1 1/2	Q	61 1/2	60	60	- 3							210
3 1/2	1 1/2	* 1 1/2	Jan. 16	* 1 1/2	May 12	United States Reduction & Ref. Co.	5,918,800	July 1, '13	1				* 1 1/2								
10 1/2	3	4	Jan. 10	3	Apr. 25	United States Reduc. & Ref. Co. pf.	3,945,800	Oct. 1, '07	1 1/2				3								
67 1/2	45 1/2	69 1/2	Apr. 4	53	June 10	United States Rubber Co.	36,000,000	Apr. 30, '13	1 1/2	Q	59 1/2	56 1/2	59 1/2	+ 2 1/2							1,600
116	105 1/2	109 1/2	Apr. 9	98	June 10	United States Rubber Co. 1st pf.	57,461,600	Apr. 30, '13	2	Q	103 1/2	101 1/2	102 1/2	+ 1 1/2							1,280

All stocks dealt on a percentage of production basis except Anaconda Copper, Batopilas Mining, Chino Copper, Goldfield Consolidated Mines, Great Northern Certificates for ore properties, Guggenheim Exploration, Inspiration Consolidated Copper, Miami Copper, Nevada Consolidated Copper, Ray Consolidated Copper, Tennessee Copper, and Utah Copper, which are quoted dollars per share. Highest and lowest prices of the year are based usually on sales of not less than 100 shares, but where exceptions are made the prices are marked thus, \*. Highest and lowest prices of the week are also

based on 100 share lots except in cases where only odd lots of a stock have been traded in. The last prices given for stocks for which no range for the week is shown are the last previous sales. ¶Also 24 per cent. on account of back dividends. ¶Also an extra dividend of  $4\frac{1}{2}$  per cent. ¶Also an extra dividend of 2 per cent. ¶Including 2 per cent. extra and 5 per cent. in stock. On March 20 Colorado Fuel & Iron preferred paid 33 per cent. on account of back dividends.

### Short Term Note Values

Name.	Rate.	Maturity.	Bid.	Ask.	Yield.	Name.	Rate.	Maturity.	Bid.	Ask.	Yield.	Name.	Rate.	Maturity.	Bid.	Ask.	Yield.	
Amalgamated Copper	5	Mar. 15, '15	97	98 1/2	6.10	General Motor	5	Oct. 1915	97	98 1/2	6.75	New York Central	5	Apr. 21, '14	98 1/2	98 1/2	5.00	
Atlantic Locomotive	5	Oct. 1913	98 1/2	100 1/2	4.20	General Rubber	4 1/2	July, 1915	94	95	6.00	New York Central	4 1/2	May, 1915	97 1/2	98 1/2	5.00	
American Locomotive	5	Oct. 1914	98 1/2	100 1/2	5.00	Hocking Valley	4	Nov. 1913	90	90	6.00	N. Y. N. H. & H.	5	Dec. 1913	98 1/2	98 1/2	5.40	
Austrian Government	4 1/2	July 14, '15	96 1/2	97 1/2	6.35	Hudson Companies	5	Oct. 15, '13	97	100	6.00	New York State	5	Jan. 1, '14	98 1/2	100	100 1/2	4.80
Baltimore & Ohio	5	July, 1914	98 1/2	99 1/2	5.87	Int. & Great Northern	5	Aug. 1914	95	96	8.75	St. Louis & San Fran.	5	June, 1914	98 1/2	98 1/2	5.00	
Boston & Maine	5	Feb. 3, '14	96	98 1/2	6.00	International Harvester	5	Feb. 15, '15	97 1/2	98 1/2	6.00	Seaboard Air Line	5	Mar. 1916	97 1/2	98 1/2	5.55	
Boston & Maine	5	June 2, '14	95	96 1/2	10.00	Lackawanna Steel	5	Mar. 1915	94	95	6.00	Southern Pacific	5	June 15, '14	98 1/2	98 1/2	6.00	
Brooklyn Rapid Transit	5	Jan. 1, '14	94 1/2	95 1/2	6.00	Lehigh Shore & Mich.	4 1/2	Apr. 1915	97	98 1/2	6.00	Union Pacific	5	Aug. 1915	97 1/2	98 1/2	5.00	
Baltimore & Ohio	4 1/2	Jan. 1914	95 1/2	96 1/2	7.85	Mexican Monetary	4 1/2	Sep. 1913	97	98 1/2	6.50	Schwabacher & Sons	5	June 1914	98 1/2	98 1/2	5.00	
Chicago & W. Illinois	5	Sep. 1915	98	99	5.45	Michigan Central	4 1/2	Mar. 1914	90 1/2	90 1/2	5.05	U. S. S. R. M.	5	Aug. 1914	98 1/2	98 1/2	6.00	
Chicago Elevated Rys.	5	July 1914	93	95 1/2	6.50	Minn. & St. Louis	5	Feb. 1914	89	92	15.00	Union Typewriter	5	Jan. 1916	95 1/2	97	6.20	
Consolidated Gas	5	Feb. 25, '14	99 1/2	100	6.00	Mo. Kansas & Texas	5	May, 1915	95	97	11.55	United Fruit	5	Jan. 1917	98 1/2	98 1/2	5.25	
Erie	5	Apr. 8, 1915	98 1/2	99 1/2	5.80	Mo. Pacific	5	Feb. 1915	97	98 1/2	6.00	U. S. S. R. M.	5	Aug. 1914	98 1/2	98 1/2	6.00	
Erie	5	Apr. 1915	98 1/2	99 1/2	5.80	Montreal Trac. & P.	5	Apr. 1915	97	98 1/2	6.15	Washington, El. & Mfg.	5	Aug. 1913	99 1/2	100 1/2	4.25	
Erie	5	Apr. 1915	98 1/2	99 1/2	6.25	New York Central	4 1/2	Mar. 1914	90 1/2	90 1/2	5.30	West. Ind.	5	July, 1915	95	96	4.25	



# Week's Bond Trading

Week Ended June 28

Total Sales \$6,625,200 Par Value

R'ge for '12	R'ge for '13	High.	Low.	High.	Low.	High.	Low.	Last.	Sales.	R'ge for '12	R'ge for '13	High.	Low.	High.	Low.	High.	Low.	Last.	Sales.
88 1/2	81	82 1/2	79 1/2	ADAMS EXPRESS 4s.....	80 1/2	80	80	8		102 1/2	102 1/2	100	100	Lehigh & Hudson gen. 5s.....	100	100	100	10	
93	88 1/2	88 1/2	83	Albany & Susq. 3 1/2s.....	84 1/2	84	84 1/2	15		106	103 1/2	104 1/2	100	Lehigh Val. of N. Y. 4 1/2s.....	100 1/2	100 1/2	100 1/2	5	
67 1/2	52	63	47	Allis-Chalmers 5s, tr. r.....	47 1/2	47	47 1/2	12		99 1/2	88 1/2	90 1/2	94	Liggett & Myers 5s.....	98	97 1/2	98	10	
101 1/2	99	102 1/2	98 1/2	Am. Hide & Leather 6s.....	99 1/2	99 1/2	99 1/2	5		123 1/2	118 1/2	122 1/2	117 1/2	Liggett & Myers 7s.....	117 1/2	117 1/2	117 1/2	6	
106	102 1/2	105	102	Am. Smelting Securities 6s.....	103	102 1/2	102 1/2	63		97 1/2	93 1/2	94 1/2	90	Long Island ref. 4s.....	90	90	90	1	
116 1/2	108 1/2	110 1/2	97 1/2	Am. Tel. & Tel. conv. 4s.....	100 1/2	99 1/2	100 1/2	5 1/2		99 1/2	88 1/2	90 1/2	94 1/2	Lorillard 5s.....	95 1/2	94 1/2	95 1/2	24	
91 1/2	88 1/2	90	86	Am. Tel. & Tel. col. 4s.....	87 1/2	86 1/2	87	57		123 1/2	119 1/2	122 1/2	116	Lorillard 7s.....	117	117	117	8	
97 1/2	91 1/2	97 1/2	94	Am. T. & T. cv. 4 1/2s, f. pd.....	100 1/2	99 1/2	100 1/2	103		99 1/2	96 1/2	99 1/2	91 1/2	Louis & Nash, unif. 4s.....	93	93 1/2	93 1/2	13	
117 1/2	118 1/2	117 1/2	117 1/2	Am. Tobacco 4s.....	96	96	96	10		91	91	91	91	L. & N. Paducah & M. 4s.....	91	91	91	4	
91 1/2	88	90 1/2	81	Am. Writing Paper 5s.....	84	82 1/2	83	21		81	81	81	81	L. & N. So. Mon. jt. 4s.....	81	81	81	1	
92 1/2	90 1/2	92	89 1/2	Armour & Co. 4 1/2s.....	89 1/2	89 1/2	89 1/2	21		98	93 1/2	95	87	MANHATTAN consol. 4s.....	87 1/2	87 1/2	87 1/2	5	
100	96 1/2	98 1/2	92 1/2	A. T. & S. F. gen. 4s.....	94	93 1/2	94	68		98 1/2	93 1/2	95 1/2	87 1/2	Manhattan cons 4s, tax ex.....	87 1/2	87 1/2	87 1/2	1	
92 1/2	87 1/2	88	83	A. T. & S. F. adj. 4s, sta.....	84	83 1/2	83 1/2	22		101	99	100 1/2	97	Michigan State Tel 5s.....	97 1/2	97 1/2	97 1/2	4	
107 1/2	100 1/2	103 1/2	92 1/2	A. T. & S. F. con. 4s, 1900.....	96	95	95 1/2	49		90 1/2	89 1/2	90	88 1/2	Milwaukee Gas 4s.....	88 1/2	88 1/2	88 1/2	1	
110 1/2	105 1/2	105 1/2	93 1/2	A. T. & S. F. con. 4s, 1955.....	96 1/2	96	96	15		105	99	100	88	Minn. & St. Louis con. 5s.....	88	88	88	3	
94	90 1/2	92	85 1/2	A. T. & S. F. Trans. S. L. 4s.....	85 1/2	85 1/2	85 1/2	4		110	106 1/2	108	102 1/2	Mo., Kansas & East. 1st 5s.....	102 1/2	102 1/2	102 1/2	2	
111	104 1/2	105 1/2	98	A. T. & S. F. conv. 5s.....	99	98 1/2	98 1/2	48		81 1/2	77 1/2	77 1/2	67 1/2	Mo., K. & T. ref. 4s.....	67 1/2	67 1/2	67 1/2	1	
90 1/2	84 1/2	85 1/2	87 1/2	Atlantic Coast Line 4s.....	88	87 1/2	88	41		102 1/2	99 1/2	99 1/2	97 1/2	Mo., K. & T. ext. 5s.....	98 1/2	98 1/2	98 1/2	4	
96 1/2	91	92 1/2	86 1/2	Atlantic C. L. & N. col. 4s.....	88	87 1/2	87 1/2	67		97	92 1/2	95	89 1/2	Mo., Kan. & T. 1st 4s.....	90	90	90	8	
99 1/2	95 1/2	97 1/2	90	BALT. & OHIO gold 4s.....	91 1/2	91	91 1/2	28 1/2		84 1/2	79 1/2	81 1/2	74	Mo., Kan. & T. 2d 4s.....	76	74	74	3 1/2	
93 1/2	90 1/2	91 1/2	88 1/2	B. & O. conv. 4 1/2s.....	91 1/2	90 1/2	90 1/2	420 1/2		108 1/2	104 1/2	106 1/2	103	Missouri Pacific 1st 6s.....	104 1/2	104 1/2	104 1/2	3	
91 1/2	88 1/2	90 1/2	87	B. & O. prior lien 3 1/2s.....	89 1/2	89 1/2	89 1/2	3		89 1/2	74	88	78 1/2	Missouri Pacific conv. 5s.....	79 1/2	79 1/2	79 1/2	4	
92	88 1/2	90 1/2	84	B. & O. Southwest. Div. 3 1/2s.....	87	87	87	26		100 1/2	98 1/2	100	95 1/2	Missouri Pacific 5s, 1917.....	95 1/2	95 1/2	95 1/2	2	
102	93 1/2	96 1/2	93	B. & O. P. L. E. & W. V. 4s.....	84	84	84	2		75 1/2	70 1/2	70 1/2	65	Missouri Pacific 4s.....	65 1/2	65	65	9	
87 1/2	85	86 1/2	80	Bethlehem Steel 5s.....	83 1/2	83	83 1/2	31		104	101 1/2	101	100	NASH. C. & ST. L. 1st 7s.....	100	100	100	1	
94 1/2	83 1/2	85	84 1/2	Bethlehem Steel ref. 5s.....	80 1/2	80	80 1/2	12		101 1/2	98	99 1/2	94 1/2	National Tube 5s.....	95 1/2	95 1/2	95 1/2	18	
106 1/2	102 1/2	103 1/2	100	Brooklyn R. T. ref. 4s.....	87 1/2	86	87	107		95	86	87	45	New OrL. M. & Chi. 5s.....	46	45	45	7	
103 1/2	100 1/2	102 1/2	99 1/2	Brooklyn Union Elev. 5s.....	99 1/2	99 1/2	99 1/2	28		103 1/2	97	103	98 1/2	N. Y. Air Brake cv. 6s.....	99 1/2	99	99	3	
107 1/2	105 1/2	106 1/2	104	Brooklyn Union Gas 5s.....	104	104	104	7		88 1/2	85 1/2	87 1/2	83	N. Y. Central gen. 3 1/2s.....	83 1/2	83	83	2	
96 1/2	94	96	91 1/2	CAL. GAS & ELEC. 5s.....	92	91 1/2	91 1/2	6		87 1/2	83 1/2	86 1/2	82	N. Y. Central gen. 3 1/2s, reg.....	83	83	83	4	
122 1/2	118	119 1/2	114	Canada So. con. 5s, Ser. A.....	105	105	105	6		85	78 1/2	83	76 1/2	N. Y. C. L. S. col. 3 1/2s.....	79 1/2	78 1/2	79 1/2	48	
97	94	96 1/2	90	Cent. of New Jersey gen. 5s.....	114	114	114	19		84	76 1/2	80 1/2	76	N. Y. Cent. L. S. 3 1/2s, reg.....	79	79	79	5	
102	99	102	95	Cent. Pacific 1st 4s.....	91 1/2	91 1/2	91 1/2	6		90 1/2	86 1/2	89 1/2	82 1/2	N. Y. Cent. deb. 4s, 1934.....	88 1/2	88	88 1/2	15	
96	91 1/2	93 1/2	86	Ches. & Ohio gen. 4 1/2s.....	95	94 1/2	94 1/2	22		91	87 1/2	89	83 1/2	N. Y. C. & St. L. deb. 4s.....	85	85	85	1	
94	92	92 1/2	79	Ches. & Ohio fund. 5s.....	95	95	95	1		104 1/2	101 1/2	103 1/2	100 1/2	N. Y. G. E. L. H. & P. 5s.....	101 1/2	101 1/2	101 1/2	1	
98 1/2	94 1/2	96 1/2	93	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		92	91	89 1/2	82	N. Y. G. E. L. H. & P. 4s.....	83	83	83	6	
98 1/2	94 1/2	96 1/2	93	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		132 1/2	123	126	117 1/2	N. Y. N. H. & H. n-cv. deb. 4s, 55.....	86	86	86	1	
97 1/2	94 1/2	96 1/2	93	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		81 1/2	76	79	72 1/2	N. Y. N. H. & H. n-cv. deb. 4s, 55.....	86	86	86	1	
98 1/2	94 1/2	96 1/2	93	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		59 1/2	51 1/2	60 1/2	51 1/2	N. Y. Railways ref. 4s.....	53 1/2	52 1/2	53 1/2	152	
97 1/2	94 1/2	96 1/2	93	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		100 1/2	96 1/2	98	95 1/2	N. Y. Railways adj. 5s.....	96 1/2	96	96 1/2	35	
88	83 1/2	85 1/2	83	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		100 1/2	96 1/2	98	95 1/2	N. Y. Telephone 4 1/2s.....	96 1/2	96	96 1/2	15	
100 1/2	97 1/2	98 1/2	93 1/2	C. & O. R. & Alle. 1st con. 4s.....	86	86	86	1		102 1/2	100 1/2	102 1/2	100	N. Y. W. & B. 4 1/2s.....	98 1/2	98 1/2	98 1/2	1	
85	75	77 1/2	71	Chicago Gt. Western 4s.....	71	71	71	7		94	89 1/2	92	83	N. & W. Poca. C. & C. 4s.....	83	83	83	5	
109 1/2	106 1/2	105 1/2	100	Chi. & Indiana Coal 5s.....	100	100	100	4		94	91 1/2	92 1/2	88 1/2	Norfolk & West. div. 4s.....	88 1/2	88 1/2	88 1/2	3	
92 1/2	90	91 1/2	86	C. M. & St. P. gen. 4 1/2s.....	99 1/2	99 1/2	99 1/2	130		99 1/2	96	99	88	Norfolk & West. con. 4s.....	92	91 1/2	92	15	
107	101 1/2	106 1/2	100	C. M. & St. P. 4s, 1934.....	88 1/2	88	88	2		118	107 1/2	112 1/2	99	Norfolk & West. conv. 4s.....	102 1/2	102 1/2	102 1/2	2	
95 1/2	92 1/2	94	85	C. M. & St. P. conv. 4 1/2s.....	102 1/2	101 1/2	102 1/2	89		100 1/2	97 1/2	98 1/2	92	Northern Pacific 4s.....	92 1/2	92	92	27 1/2	
103	102	101	100 1/2	C. M. & St. P. cv. 4 1/2s, f. p. 101 1/2.....	101 1/2	101 1/2	101 1/2	10		70 1/2	67 1/2	68 1/2	63 1/2	Northern Pacific 3s.....	64	63 1/2	63 1/2	18	
113 1/2	111	110 1/2	106	C. M. & St. P. Dubuque 6s.....	106	106	106	1		96 1/2	91 1/2	94	89 1/2	OREGON R. R. & NAV. 4s.....	91	91	91	1	
106 1/2	104 1/2	105 1/2	101 1/2	C. M. & St. P. D. & Gt. So. 5s.....	100 1/2	100 1/2	100 1/2	4		112	108 1/2	109	103 1/2	Oregon Short Line con. 5s.....	103 1/2	103 1/2	103 1/2	2	
98 1/2	95 1/2	98 1/2	92 1/2	C. M. & St. P. Dubuque 6s.....	106	106	106	1		95	90 1/2	93 1/2	86 1/2	Oregon Short Line ref. 4s.....	88 1/2	87 1/2	87 1/2	11	
96 1/2	93 1/2	96 1/2	90 1/2	Chl. & N. W. gen. 4s.....	96 1/2	96 1/2	96 1/2	1		104 1/2	100	101 1/2	99	PACIFIC COAST 1st 5s.....	99 1/2	99 1/2	99 1/2	1	
90 1/2	82 1/2	84 1/2	78 1/2	Chl. & N. W. P. gen. 4s.....	85 1/2	85	85	13		101 1/2	98 1/2	101	95	Pacific Tel. & Tel. 5s.....	96 1/2	96 1/2	96 1/2	37	
94 1/2	89	90	84	C. R. I. & P. gen. 4s.....	85 1/2	85	85	13		97 1/2	96 1/2	97 1/2	96	Penn. 3 1/2s, 1915.....	96 1/2	96	96 1/2	139	
73 1/2	64 1/2	66 1/2	49 1/2	C. R. I. & P. P. col. 4s.....	55 1/2	54 1/2	54 1/2	157		104 1/2	101	102 1/2	98 1/2	Penn. R. R. 4s, 1948.....	99 1/2	99 1/2	99 1/2	1	
105	102	102 1/2	98	C. R. I. & P. P. col. 4s.....	55 1/2	54 1/2	54 1/2	157		92	87 1/2	89	79	Peoria & Eastern 1st 4s.....	79	79	79	2	
100 1/2	97	99 1/2	93 1/2	C. St. P. M. & O. deb. 5s.....	98 1/2	98	98	37		102 1/2	100 1/2	102	99 1/2	People's Gas, Chl. ref. 5s.....	99 1/2	99 1/2	99 1/2	5	
85 1/2	72 1/2	85	77 1/2	Col. Fuel & Iron gen. 5s.....	79 1/2	79	79 1/2	6		99	96	92 1/2	92 1/2	P. C. C. & St. L. 4s, Ser. D.....	92 1/2	92 1/2	92 1/2	5	
97 1/2	93	94 1/2	89	Colorado & Southern 1st 4s.....	90	89 1/2	90	7		89 1/2	81 1/2	87 1/2	86	Poca. Con. Collieries 5s.....	86 1/2	86 1/2	86 1/2	2	
98 1/2	93	94 1/2	90 1/2	Colorado & South. ref. 4 1/2s.....	91 1/2	91 1/2	91 1/2	10		94 1/2</									

## Week's Bond Trading---Continued

U. S. Government Bonds					R'ge for '12					R'ge for '13				
High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.	
102½	100½	101½	100	Twos, registered	100	100	100	8		101½	101½	99½	97½	1
103½	101½	102½	103	Threes, coupon	103	103	103	3		103½	101½	102½	100½	
102½	101½	102½	103	Threes, coupon, small	103	103	103	*2		102½	101½	102½	100½	
102½	101½	102½	103½	Panama 3s, registered	103½	103½	103½	15		102½	101½	102½	100½	
Total sales					\$26,200									
*In \$100.														
Foreign Government Bonds					R'ge for '12					R'ge for '13				
High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.	
100	95½	99½	96	Argentine 5s	96	96	96	7		101½	101½	99½	97½	1
95½	90	92	85	Chinese Railway 5s	88	86½	87½	30		100½	95½	97½	90½	4
93½	89½	90½	83½	Japanese 4½s	86½	86½	80½	5½		100½	95½	97½	90½	1
88½	82	83	75½	Japanese 4s	77	76½	76½	4½		100½	95½	97½	90½	18
104	101½	102½	99½	Republic of Cuba 5s	100½	100	100½	11		100½	95½	97½	90½	20
Total sales					\$58,000									
State Securities					R'ge for '12					R'ge for '13				
High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.		High.	Low.	Last.	Sales.	
101½	100½	101½	98½	N. Y. Canal 4s, 1962	99	99	99	1		101½	101½	99½	97½	1
103	100½	101½	98	N. Y. Canal 4s, 1961	98	98	98	1		103½	101½	102½	100½	
102½	100½	102½	97	N. Y. State 4s, 1961	97½	97	97½	7		102½	101½	102½	100½	
Total sales					\$730,500									
Grand total					\$8,625,200									

## Transactions on the New York Curb

Week Ended June 28

Industrials					Total Sales					New York City Issues				
High.	Low.	Last.	Chg.		High.	Low.	Last.	Chg.		High.	Low.	Last.	Chg.	
9,825	9,825	9,825	+13	Anglo-American Oil	9,825	9,825	9,825	+13		100½	95½	97½	90½	4
2,000	2,000	2,000	+23	British-Am. Tobacco	2,000	2,000	2,000	+23		100½	95½	97½	90½	1
50	50	50	+5	Emerson-Branting	50	50	50	+5		100½	95½	97½	90½	1
100	100	100	+½	Houston Oil	100	100	100	+½		100½	95½	97½	90½	18
200	200	200	+½	Inter. Rub. Tr. cfs.	200	200	200	+½		100½	95½	97½	90½	20
230	230	230	-3	Man. Shirt Co. p. cfs.	230	230	230	-3		100½	95½	97½	90½	675
1,000	1,000	1,000	+½	Marconi of Am. new	1,000	1,000	1,000	+½		100½	95½	97½	90½	1½
300	300	300	-½	Oil Fields of Mex.	300	300	300	-½		100½	95½	97½	90½	1
198	198	198	+11	Standard Oil of N. J.	198	198	198	+11		100½	95½	97½	90½	4
100	100	100	-5½	Tobacco Products p. cfs.	100	100	100	-5½		100½	95½	97½	90½	1
2,800	2,800	2,800	+2½	Un. Cig. Stores, w. l.	2,800	2,800	2,800	+2½		100½	95½	97½	90½	1
250	250	250	+3	Un. Cig. St. p. cfs.	250	250	250	+3		100½	95½	97½	90½	1
345	345	345	+½	U. E. Light H. new	345	345	345	+½		100½	95½	97½	90½	1
30	30	30	+1½	U. S. L. & H. p. cfs.	30	30	30	+1½		100½	95½	97½	90½	1
Railroad					Total Sales					New York City Issues				
2,950	2,950	2,950	-1-16	Manhattan Transit	2,950	2,950	2,950	-1-16		100½	95½	97½	90½	1
Mining					Total Sales					New York City Issues				
8,600	8,600	8,600	+1½	Alaska Gold Mining	8,600	8,600	8,600	+1½		100½	95½	97½	90½	1
1,300	1,300	1,300	-2	Beaver Con.	1,300	1,300	1,300	-2		100½	95½	97½	90½	1
100	100	100	-	Bessie Gold Dredge	100	100	100	-		100½	95½	97½	90½	1

## Transactions on Other Markets

Below Will Be Found Transactions and High, Low and Last Prices Reported Last Week on Various Markets Elsewhere Than in New York. For Mining Stocks and Public Utilities See Under Those Classifications

### Industrials, Miscellaneous, Etc.

Stocks	Market	Sales	High.	Low.	Last.
Amalgamated Oil	Los Angeles	150	79½	79	79½
*Am. Agr. Chem. com.	Boston	140	45	44½	45
*Am. Agr. Chem. pf.	Boston	121	91½	91	91½
Am. Can. com.	Chicago	1,739	27½	27½	27½
Am. Can. pf.	Chicago	550	87½	87½	87½
Am. Milling	Philadelphia	56	1½	1½	1½
Alabama Co. (w. l.)	Balt.	110	7	7	7
Ala. Coal & Iron	Balt.	\$1,000	74	74	74
Am. Fork & Hoe	Cleveland	5	129½	129½	129½
Am. Pneu. S. 2d pf.	Boston	15	17	17	17
Am. Radiator com.	Chicago	10	440	440	440
Am. Sewer Pipe	Cleveland	320	10½	10½	10½
Am. Sewer Pipe	Pittsburgh	30	10½	10½	10½
Am. Shipbuilding	Chicago	125	45	42½	42½
Am. Shipbuilding pf.	Cleveland	50	97½	97½	97½
Am. Sugar com.	Boston	100	97½	97½	97½
Am. Sugar pf.	Boston	349	108½	107	108½
Am. Sugar pf.	Boston	81	112½	112	112½
Am. Woolen pf.	Boston	248	75½	74	74
A-H-McC. Co. pf.	Montreal	80	75½	75	75½
Amalgamated Mfg. pf.	Boston	4	95	95	95
Associated Oil	Los Angeles	70	39½	39	39½
Associated Oil	San Francisco	170	39	38½	38½
Atlantic G. & W. L.	Boston	60	6	5½	6
Baldwin Loco. com.	Phila.	\$5,000	60	59½	60
Baldwin Loco. pf.	Phila.	150	41	40½	40½
Baldwin Loco. pf.	Phila.	36	108	102½	102½
Baldwin Loco. pf.	Phila.	\$4,000	103	102½	102½
*Booth Fisheries pf.	Chicago	15	77	77	77
Brewing Assn. 6s.	St. Louis	\$8,000	99½	99½	99½
Br. Can. Cannery	Montreal	25	39½	38½	39½
Burt. F. N. pf.	Toronto	95	92	90½	90½
B. C. Packers pf.	Toronto	25	130	130	130
Cambria Iron	Philadelphia	5	41½	41½	41½
Cambria Steel	Philadelphia	2,420	44	43½	44
Canada Bread	Toronto	175	19½	18½	19
Canada Car	Montreal	60	70	65	65
Canada Car pf.	Montreal	15	111½	108½	108½
Canton Co.	Baltimore	100	160	160	160
Canada Cement	Montreal	954	28½	27	27½
Canada Cement pf.	Montreal	226	90½	89½	90½
Canada Cement 6s.	Montreal	\$500	98	98	98
Can. Interlake pf.	Toronto	42	95	95	95
Can. Gen. Electric	Toronto	15	106½	106½	106½
Can. Cottons	Montreal	35	35	33½	35
Can. Cottons pf.	Montreal	110	72	72	72
Canada Coal & Coke	Montreal	50	5	5	5
Canada Cotton 6s.	Montreal	\$2,500	90½	90	90½
Canada Loco. pf.	Toronto	5	90	90	90
Canada Loco. pf.	Toronto	\$200	90	90	90
Canada Loco. pf.	Montreal	5	90½	90½	90½
Canada Salt	Toronto	17	113	113	113
Caney River Gas	Pittsburgh	50	20	20	20
City Dairy pf.	Toronto	2	90½	90½	90½
C. & S. Brew. pf.	Cleveland	35	30	30	30
C. & S. Brew. 6s.	Cleveland	\$1,000	80	80	80
Clinton Sugar Ref. 5s.	St. Louis	\$2,000	101	101	101

Stock.	Market.	Sales.	High.	Low.	Last.
Consol. Coal 5s.....	Baltimore	110	96	96	96
Consol. Coal 6s.....	Baltimore	\$27,000	90	98½	98½
Consol. Ice.....	Pittsburgh	20	8	8	8
Corn Products Refg.....	Chicago	300	10½	10½	10½
Corn Prod. Refg.....	Philadelphia	10	10½	10½	10½
Cotton Duck 5s.....	Baltimore	\$11,000	60	68½	68½
Crucible Steel.....	Pittsburgh	493	13½	13	13½
Crucible Steel pf.....	Pittsburgh	450	86½	85½	86½
Cudahy 5s.....	Chicago	\$6,000	99½	99½	99½
Diamond Match.....	Chicago	265	30	30	30
Dominion Bridge.....	Montreal	310	117½	116	116
Dominion Can.....	Montreal	245	68	64	68
Dominion Can pf.....	Montreal	75	98½	98½	98½
Dominion Can 6s.....	Montreal	\$5,000	98	98	98
Dominion Can.....	Toronto	25	60½	65	60½
Dominion Coal pf.....	Montreal	30	100	100	100
Dominion Coal 5s.....	Montreal	\$18,000	99	97½	97½
Dominion Cotton 6s.....	Montreal	\$1,000	100	100	100
Dominion Iron pf.....	Montreal	110	97½	93	97
Dominion Iron 5s.....	Montreal	\$1,000	90	90	90
Dominion Steel.....	Montreal	1,457	47	44½	46
Dominion Steel.....	Toronto	30	40½	45½	40½
Dominion Textile.....	Montreal	685	80½	80	80
Dominion Text. pf.....	Montreal	31	101	100	100½
East Boston Land.....	Boston	25	10	10	10
Elec. Storage Bat.....	Phila.	174	46	45	46
Elec. Develop. bonds.....	Toronto	5,000	87½	87½	87½
General Asphalt.....	Phila.	110	36	36	36
General Asphalt pf.....	Phila.	284	75	72½	72½
General Electric.....	Boston	379	139½	134½	139½
Goodyear pf.....	Cleveland	180	97½	97½	97½
Grassville Chem. pf.....	Cleve.	128	121½	105	121½
G. W. Sugar.....	Denver	25	50	48	48
G. W. Sugar pf.....	Denver	50	90½	95	96
G. B. S. Brew. Inc.....	Baltimore	\$5,000	5	5	5
G. B. S. Brew. 4s.....	Baltimore	\$2,000	37	37	37
Harbison-Walker.....	Pittsburgh	60	45	45	45
Harbison-Walker pf.....	Pitts.	10	101	101	101
Hillcrest Coll.....	Montreal	35	41	40	40
Hillcrest Coll. pf.....	Montreal	160	86	84½	84½
Hoover Cola. Brew 6s.....	Cleve.	\$30,000	90½	90	90½
Houston Oil cfs. pf.....	Baltimore	40	50	50	50
Independent Brew.....	Pittsburgh	2,380	6	5½	5½
Indep. Brew. pf.....	Pittsburgh	260	34½	33½	34
Indep. Brew. 6s.....	Pittsburgh	\$1,000	81	81	81
Inter-Lake S. Co.....	Cleve.	60	95½	95	95½
Illinois Brick.....	Chicago	425	69	67	69
Int. Shoe.....	St. Louis	38	87	87	87
Joachim Schmidt pf.....	Cincinnati	12	107	107	107
K. C. Brew. pf.....	Cleveland	5	27	27	27
La Belle Iron.....	Pittsburgh	180	46½	43½	44½
La Belle Iron pf.....	Pittsburgh	38	120	119½	120
Lake of Woods.....	Montreal	20	128	128	128
Lake of Woods 6s.....	Montreal	\$1,000	105	105	105
Lake Superior Corp.....	Phila.	991	24½	22½	24
Langston MonoType.....	Wash.	20	78½	78½	78½
Laurentide Paper.....	Montreal	110	138	132½	132½
Lehigh Coal & Nav. S. Phila.		40	84½	84	84
Lehigh Coal & Nav. S. Phila.		115	84½	84½	84½
McElwain 1st pf.....	Boston	8	95½	95½	95½
MacDonald Co.....	Montreal	200	47	46	47
MacDonald.....	Toronto	212	47½	46½	46½
Maple Leaf Mill pf.....	Toronto	114	4	39½	39½



## INDUSTRIALS—Continued

Stock.	Market.	Sales.	High.	Low.	Last.
Union Sand.....St. Louis		13	72	72	72
Union Carbide.....Chicago		254	173½	171½	172½
Union Oil.....Los Angeles		776	80	75½	76
Union Prov. Oil.....Los Angeles		10	88	88	88
Union Petrol.....Los Angeles		50	86	84	84
*United Fruit.....Boston		2,348	152½	147	149½
Un. Switch & Sig.....Pittsburgh		235	125	124	124
*Un. Shoe Machine.....Boston		979	45	44½	45
*Un. Shoe Mach. pf.....Boston		257	26½	26½	26½
U. S. Steel pf.....Boston		215	104½	103	103
U. S. Steel.....Chicago		1,640	53½	51½	53
U. S. Steel.....Philadelphia		26,516	53½	51½	53½
U. S. Steel com.....Boston		4,845	53½	51½	53
Warwick I. & S.....Philadelphia		73	10	10	10
Wayagk P. & P.....Montreal		255	27½	25½	26
Wayagk P. & P. 5s.....Mont.		\$4,600	72	71½	71½
Welsbach 5s.....Philad.		\$1,000	90	90	90
West. Air Brake.....Pittsburgh		254	130	128½	130
West. Elec.....Pitts.		270	30	29	30
*Westmoreland Coal.....Phila.		6	69½	63	63
West. Elect. 1st pf.....Pitts.		11	55	55	55
West. Machine.....Pitts.		34	20½	20½	20½
West. Elec. cv. 5s.....Pitts.		\$1,000	89½	89½	89½

\*Ex div.  
\*\*Ex rights.

## Railroads

Transactions and range of quotations of railroad stocks in markets other than New York:

Stock.	Market.	Sales.	High.	Low.	Last.
Atchafalpa.....Philadelphia		35	95½	95½	95½
A. C. Line.....Baltimore		10	116	116	116
At. C. Line con. 4s.....Balt.		\$11,000	91½	91½	91½
A. C. Line of Conn.....Balt.		60	231	231	231
Annapolis & Potomac 5s.....Balt.		\$3,000	100	100	100
Atchafalpa.....Boston		10	96½	96½	96½
Boston & Albany.....Boston		30	194½	193	194½
Boston & Maine.....Boston		283	53	52½	52½
Boston & Lowell.....Boston		3	183	183	183
Burlington & Mo. 6s.....Boston		\$1,200	101	101	101
Canadian Pacific.....Montreal		1,615	218½	214	217½
Canadian Pacific.....Toronto		150	218	214	218
Catawissa 1st pf.....Phila.		10	53½	53½	53½
Cent. Vt. 1st 4s.....Boston		\$1,000	83	83	83
Ches. & Ohio.....Philadelphia		630	56	55½	55
C. & B. & Q. Jt. 4s.....Boston		\$7,000	93½	93½	93½
C. & B. & Q. Jt. 4s. reg. Boston		\$3,000	93½	93½	93½
Chi. Jet & S. Y. 4s. 1940 Boston		\$2,000	79	79	79
Choctaw gen. 5s.....Phila.		\$4,000	100½	100½	100½
Coal & Iron R. R. 4s.....Balt.		\$1,000	99	99	99
Erie.....Philadelphia		10	24	24	24
Fitchburg pf.....Boston		27	101	100½	101
Georgia & Alabama 5s.....Balt.		\$1,000	101	101	101
Lehigh Val. Coal 5s.....Phila.		\$3,000	105	105	105
*Lehigh Valley.....Philadelphia		377	79½	72½	73½
Lehigh Val. gen. 4s.....Phila.		\$6,000	94	94	94
Lehigh Val. 6s.....Phila.		\$3,000	111½	111½	111½
Little Schuylkill.....Philadelphia		6	55½	55½	55½
Maine Central.....Boston		113	100	100	100
M. St. P. & S. B. M. Montreal		410	125	123	123
N. Y. N. H. & H. Boston		435	103½	101½	103½
N. Y. N. H. & H. 4s. 75. Bos.		\$5,000	84	84	84
Norfolk & W.....Philadelphia		10	103½	103½	103½
Norfolk Central.....Baltimore		140	116	115½	115½
Norfolk Cent. Philadelpia		11	117	115	117
Norfolk N. H. Boston		4	115	115	115
N. O. & G. N. 5s.....Baltimore		\$3,000	60	60	60
Old Colony R. R. Boston		26	160	160	160
Ogden & Lake C. 4s.....Boston		\$1,000	87½	87½	87½
Penn. R. R. Philadelphia		2,857	56	55 5/7-16	
Penn. R. R. con. 4s. 78. Phila.		\$2,000	90½	90½	90½
Phila. W. & B. 4s.....Phila.		\$2,000	97½	97½	97½
Reading.....Philadelphia		4,319	79½	77 15-16	79½
Reading N. J. C. 4s.....Phila.		\$1,000	93	93	93
Reading gen. 4s. Philadelphia		\$14,000	94	93½	94
Seaboard Air Line.....Baltimore		200	18	17	18
Southern Pacific.....Philadelphia		20	94½	94½	94½
Southern Ry.....Philadelphia		10	20½	20½	20½
Union Pacific.....Boston		140	146½	145½	146
Union Pacific.....Philadelphia		220	146½	143	145½
Va. Mid. 5s.....Baltimore		\$1,000	101	101	101
West Jersey & S. S. Phila.		100	61	61	61

\*Ex dividend.

## State, Municipal, Etc.

Bonds.	Market.	Sales.	High.	Low.	Last.
City of Balto. 5s, 1916.....Balt.		\$3,000	101	101	101
City of Balto. 4s, 1908.....Balt.		\$1,000	89	89	89
City of New Orleans Public					
Imp. 1900.....New Orleans		\$2,000	90½	90½	90½
Premium bonds.....New Orleans		\$2,100	55	55	55
State of Louisiana 4s.....N. Or.		\$1,000	98	97½	98

## Banks, Etc.

Transactions and range of quotations for various bank stocks, &c., in various markets other than New York:

Stock.	Market.	Sales.	High.	Low.	Last.
Alliance Ins. ....Philadelphia		21	15½	15½	15½
Am. Sec. & Trust.....Washington		20	300	300	300
Bank of Commerce.....Montreal		428	204	202	202
Bank of Commerce.....Toronto		225	204	202	202
Bank of Commerce.....St. Louis		50	128	128	128
Bankers' Trust.....St. Louis		10	193	192	193
Canal-LA B. & T. Co. New Or.		40	99	99	99
Can. Perm.....Toronto		10	180	180	180
Columbia Nat. ....Washington		15	252	252	252
Cont. Trust.....Washington		20	117	116	116
District Nat. Bank.....Wash.		5	145½	145½	145½
Dominion Bank.....Toronto		68	214	214	214
Farm. & Mer. Nat. ....Los Ang.		52	379	370	370
Federal Nat. ....Washington		53	135	135	135
Fidelity & Deposit.....Balt.		95	145	145	145
Fidelity Trust.....Baltimore		5	243	243	243
First National.....Los Angeles		16	675	675	675
Huron & Erie.....Toronto		22	215	215	215
Imperial Bank.....Toronto		60	211½	210½	210½
Ins. Co. of N. A. ....Phila.		161	22	21½	22
Merchants.....Montreal		1	186	186	186

Stock.	Market.	Sales.	High.	Low.	Last.
Metropolitan Bank.....Toronto		1	190	190	190
Molson Bank.....Montreal		32	194	193½	194
Montreal.....Montreal		23	225	225	225
National Bank.....Washington		6	245	245	245
Nationale Bank.....Montreal		1	135	135	135
Nova Scotia Bank.....Montreal		22	258	257	257
Royal Bank.....Montreal		86	216	215½	215½
Sec. Tr. & S. Bank.....Los Ang.		17	216	215½	215½
Standard Bank.....Toronto		106	215½	214	214
Toronto Bank.....Toronto		11	202	202	202
Union Bank.....Toronto		62	137	135½	137
Union Bank.....Montreal		45	136	136	136
U. S. Fidelity.....Balt.		10	190	190	190
Western Bank.....Baltimore		15	38	38	38

## CONSOLIDATED STOCK EXCHANGE

Week Ended June 28, 1913.

Sales.	First.	High.	Low.	Last.
33,300. AMAL COPPER.....	62	65½	61½	65½
210. American Beet Sugar.....	21	22½	21	21½
3,380. American Can.....	25½	27½	25½	27½
10. American Car & Fdy.....	42	42	42	42
20. American Cotton Oil.....	36	36	36	36
20. American Locomotive.....	30	30	29½	29½
3,550. American Smelt. & Ref.....	60½	63	60½	62½
10. American Sugar Ref.....	107½	107½	107½	107½
130. Anaconda Copper Co.....	32½	33	32½	32½
220. Atch. Topeka & S. F.....	94½	96½	94½	96½
140. BALTIMORE & OHIO.....	93½	93½	92½	93½
50. Bethlehem Steel.....	28	28	28	28
1,000. Brooklyn Rapid Transit.....	80½	87½	80½	87½
80. CAL. PETROLEUM.....	28	29½	28	28½
2,240. Canadian Pacific.....	214½	218½	214½	217½
50. Central Leather Co.....	20	20	20	20
6,330. Chesapeake & Ohio.....	56½	57½	52½	55½
1,320. Chicago, Mil. & St. Paul.....	100½	103½	100½	103½
20. China Copper.....	32½	34	32½	34
20. Colorado Fuel & Iron.....	27½	28½	27½	28½
50. Colorado Southern.....	30½	30½	30½	30½
20. Corn Products Refining.....	10½	10½	10½	10½
1,780. ERIE.....	23½	24½	23½	24½
50. GOODRICH CO.....	27½	27½	27½	27½
120. Great Northern pf.....	120½	122½	120½	122½
400. Gt. Nor. ets. for ore prop. 33	34½	34½	33	33
100. ILLINOIS CENTRAL.....	110	110	109½	109½
470. Inter-Met. V. Tr. ets.....	14½	15½	14½	14½
2,150. Inter-Met. pf.....	55½	57½	54	55½
10. KANSAS CITY SO.....	27	27	27	27
4,740. LEHIGH VALLEY.....	148½	152½	144½	146½
70. MEX. PETROLEUM.....	59½	60½	58½	58½
90. Mo., Kan. & Texas.....	21½	21½	20	20½
2,400. Missouri Pacific.....	29	31	28½	30
20. NATIONAL LEAD CO.....	46½	46½	45½	45½
150. Nevada Con. Copper.....	14½	14½	14½	14½
850. New York Central.....	98	98½	98	97½
90. N. Y. N. H. & H.....	102½	102½	102½	102½
190. N. Y. Ont. & Western.....	31½	32	31½	31½
450. Northern Pacific.....	107½	108	106½	107
620. PENNSYLVANIA R. R. 100.....	111	116½	111	111
37. People's Gas, Chicago.....	107½	107½	107½	107½
300. RAY CON. COPPER.....	17	17	16½	16½
78,020. Reading.....	155½	158½	155½	158½
60. Rep. Iron & Steel.....	19½	19½	18½	18½
200. Rock Island Co.....	15½	16½	15½	15½
60. Rock Island Co. pf.....	25½	26½	25½	25½
1,480. SOUTHERN PACIFIC.....	93½	95½	93½	95½
80. Southern Railway ext.....	21	21½	20½	20½
90. TENNESSEE COPPER.....	29	29½	29	29½
68,500. UNION PACIFIC.....	142	149½	142	148½
40. United States Rubber.....	58	59	58	59
50. U. S. Rubber 1st pf.....	102½	102½	102½	102½
56,430. United States Steel.....	51½	53½	51½	53½
30. United States Steel pf.....	103½	103½	103	103½
240. Utah Copper.....	41½	42½	41	42½
10. VA.-CAR. CHEMICAL.....	24½	25	23½	23½
10. WEST. UNION TEL.....	61	61	61	61
80. Woolworth (F. W.) Co.....	82½	82½	82½	82½

## THE WORLD'S OIL PROBLEM

## Contest Among the Powers of Europe for Independent Sources of Naval Fuel Supplies

On the European Continent the oil war is being contested nowhere more strenuously than in Germany. Whatever form it takes, one essential object in view is to obtain oil supplies for the navy, though this purpose is not mentioned in reports of German scientific investigators or financial enterprises. The Germans recognized early the importance of this matter, and were ahead of the British in experiments with oil engines and the application of this means of power production to the propulsion of large vessels. The building of a battleship or cruiser entirely driven by internal-combustion motors is likely to be an event in the near future. The advantages are fully understood, and perhaps none of them more completely than the means which the new system provides for rapidly obtaining power "from cold," as engineers say, so that ships may issue from port within a very short period from receiving orders. The Augsburg-Nuernberg Company, the Krupps at their Germania yard, Kiel; the Vulcan Company of Hamburg and Stettin, and other concerns have been devoting the utmost attention to the new development, and have undoubtedly made great advances.

## GERMAN GEOGRAPHICAL ADVANTAGES

It is obvious that Germany has some geographical advantages which Great Britain does

not possess. The continuity of her territory and her communications by rail and by waterways, as well as perhaps ultimately by pipe lines, bring her into direct relation with the great oil-bearing countries of Europe. The problem of transport is one of high importance in dealing with oil, and notwithstanding the multiplication of tank steamers the provision is not yet equal to the demand. To Germany this want is obviously of lesser importance than to Great Britain, notwithstanding that she imports very largely from the United States. Her own oil fields are of no great importance, but there are oil fields at Wietz in Hanover and in Alsace-Lorraine, which together produce about 150,000 tons of heavy oil yearly, all controlled by the Deutsche Erdoel Gesellschaft.

Some seven years ago, with the encouragement of the Imperial Government, the Mining Institute of Berlin, under the direction of Mining Councilor Beyschlag, set on foot geological investigations in Galicia with the view of obtaining information as to the oil resources of the country. Galicia, Rumania, and to some extent Russia, are the Continental territories from which Germany chiefly obtains supplies, and the result of her demands has been a great development, a considerable increase in prices, and the attempt to establish a monopoly under German financial control. Galicia, which twenty years ago supplied only 1½ per cent. of the oil requirements of Germany, now supplies some 14 per cent., besides exporting to Sweden and elsewhere, and the supplies are increasing.

## GALICIAN OIL FIELDS

The Galician oil industry is at present in a somewhat critical stage of development. The fields are really continuous with those of Rumania, on the flanks of the Carpathians, and 90 per cent. of the product is now obtained from the comparatively small area of Boryslaw-Tarnobrzeg, in which there has been a progressive decline from 2,086,341 metric tons in 1909 to 1,070,000 in 1912. This falling off appears to have been due partly to the exhaustion of some of the wells, but perhaps more to the lack of organization among the producers, whereby some years ago they came under the pressure of great financial trusts, prices being reduced and drilling consequently discouraged. The producers, however, united, and the Austrian Government gave encouragement by adopting oil fuel for the State railways and contracting to take over large supplies for a term of years. At first this was advantageous, but as the value of oil rapidly increased the producers had to solicit the good offices of the Government, and it was represented that unless Rumanian crude oil could be admitted duty free the great export trade with Germany could not be maintained. The German and Austro-Hungarian Governments appear to have come to an understanding on this subject, and Germany is not likely to run short of supplies. Her enterprise is securing undeveloped oil lands in Galicia, and an immense development is expected to take place, with financial support from the Government, so that probably within a short time many of the best oil lands will have been brought within a German monopoly, the rights of Austria being safeguarded.

While Germany is endeavoring the secure permanent supplies on the one hand, she has been fighting with all her might the Standard Oil monopoly on the other. The Deutsche Bank endeavored to supply oil from the oil fields of Steana Romana, in Rumania, and thus to create a strong resistance to the Standard Oil monopoly, by constituting the Petroleum Products Company at Hamburg and the German Petroleum Company at Berlin in relation to the great Russian enterprises of Nobel and of Rothschild in the European Petroleum Union (Epu). But losses resulted, and the attempt failed, whereby the Standard Oil Company at length became the distributing agency of the Deutsche Bank Syndicate. The Standard Oil, however, next attacked, through its subsidiary companies, the retail position in Germany, and the Government thereupon found an opportunity of intervening, with the result that a bill was presented to the Reichstag to give the State control in the way of monopoly of the oil industry. It is true that illuminating oil was the actual subject of contention, but as was explained in the "Begründung" of the bill, it was evident that the Standard Oil Company, through its possession in the United States of pipe lines and means of distribution was in a position to influence, if not to control, the production, and thus the price of oil in general. The possibility of obtaining supplies from independent rivals of the Standard Oil Company in America, Russia, Galicia, and Rumania commended itself to the Government, but it is unnecessary to recapitulate the details of the scheme, which has been subjected to considerable criticism and has not yet received legal sanction.

# Latest Earnings of Important Railroads

Below are shown the earnings of important railroads according to the latest reports published. The net earnings are in some cases the figure resulting from the

deduction of expenses alone from gross receipts, in others it is the amount remaining after taxes have been paid and car settlements made with other railroads. As

each railroad reports its net in the same way from month to month, these figures, published currently, are the best guide to those interested.

## May Gross and Net Earnings

May Compared with the Same Month in 1912.				Earnings July 1 to June 1, Compared with Same 1911-12.							
Gross		Net		Railroad.	Gross		P. C.	Net		P. C.	
Amount.	Change.	Amount.	Change.		Amount.	Change.		Amount.	Change.		
\$9,368,398 +	\$154,703	\$2,852,798 -	\$217,024	Atch., Topeka & Santa Fe...	\$108,275,822 +	\$9,192,173 +	9.3	\$32,212,549 +	\$2,775,468 +	9.4	
8,967,456 +	714,461	2,675,981 -	47,381	Baltimore & Ohio.....	92,540,705 +	8,261,215 +	9.8	25,476,207 +	65,938 +	0.3	
2,218,400 +	396,300	680,200 +	222,100	Canadian Northern.....	20,810,600 +	3,041,500 +	17.1	5,506,500 +	812,100 +	17.8	
1,003,172 +	24,619	89,816 -	73,068	Central of Georgia.....	12,958,452 -	7,381 -	.06	2,913,810 -	369,131 -	11.2	
1,127,245 +	104,093	230,706 +	74,047	Chicago Great Western.....	12,775,775 +	1,062,672 +	9.1	3,396,469 +	849,089 +	33.3	
6,690,023 +	569,705	1,509,314 -	238,232	Chic. & Northwestern.....	75,839,894 +	8,681,665 +	12.9	22,361,933 +	4,033,591 +	22.0	
1,253,457 +	232,673	342,847 +	89,156	Colorado & Southern.....	13,972,722 +	950,856 +	7.3	4,305,920 +	198,182 +	4.8	
901,364 +	136,834	297,413 +	91,939	Kansas City Southern.....	9,852,329 +	1,346,593 +	15.8	3,266,112 +	920,993 +	39.2	
3,795,218 +	1,494,507	1,054,089 +	526,929	Lehigh Valley.....	39,299,894 +	6,043,152 +	18.2	12,802,727 +	2,389,087 +	22.9	
		1,744,795 +	1,182,228	Reading Companies.....				24,044,523 +	7,310,211 +	43.7	
4,369,543 +	1,144,740	1,536,874 +	837,045	Philadelphia & Reading Ry...	47,524,483 +	5,953,369 +	14.3	18,348,010 +	4,276,419 +	30.4	
11,784,139 +	751,194	3,559,972 +	286,697	Southern Pacific.....	131,130,169 +	10,145,830 +	8.4	40,947,274 +	4,236,601 +	11.5	
7,270,482 +	296,302	2,626,948 +	86,391	Union Pacific.....	86,074,697 +	7,003,015 +	8.9	36,287,106 +	3,368,185 +	10.2	

## April Gross and Net Earnings

April Compared with Same Month in 1912.				Earnings July 1 to May 1, Compared with Same 1911-12.									
Gross		Net		Railroad.	Gross		P. C.	Net		P. C.			
Amount.	Change.	Amount.	Change.		Amount.	Change.		Amount.	Change.				
\$3,236,585	+	\$33,729			\$30,589,746	+	\$2,524,124	+	\$8,897,479	+	\$490,027	+	5.8
3,873,797	+	118,144			40,491,208	+	2,331,816	+	6,811,887	-	154,991	-	2.2
11,750,913	+	449,564			115,816,287	+	15,168,567	+	39,114,089	+	3,342,966	+	9.3
2,489,392	+	731,846			26,747,084	+	1,916,178	+	11,623,853	+	951,137	+	9.0
2,367,376	-	746,420			29,080,224	+	510,614	+	8,671,038	-	978,327	-	10.1
1,120,682	+	164,439			12,748,927	+	402,014	+	1,711,313	-	944,800	-	35.2
7,081,597	+	355,467			79,583,137	+	6,394,971	+	25,459,641	+	3,757,187	+	17.3
7,166,906	+	697,396			79,114,108	+	13,023,920	+	23,684,164	+	8,600,233	+	57.0
1,249,322	+	78,671			14,328,172	+	1,640,128	+	3,806,121	+	544,585	+	16.7
1,896,081	+	759,791			20,137,997	+	2,593,869	+	7,325,019	+	1,066,188	+	14.6
3,282,011	+	1,141,107			33,556,538	+	3,722,223	+	11,861,678	+	2,436,408	+	25.9
1,813,407	-	24,325			20,667,141	+	1,200,312	+	7,046,161	+	1,377,890	+	24.3
4,712,769	+	939,255			51,879,756	+	4,702,030	+	13,040,888	+	1,449,306	+	12.5
6,082,301	+	1,013,847			64,848,951	+	10,226,573	+	27,931,446	+	3,113,387	+	12.5
4,560,001	+	311,242			53,773,375	+	4,846,829	+	8,952,669	+	3,102,461	+	53.0
4,859,131	+	129,541			49,726,295	+	2,511,647	+	11,522,087	-	1,383,730	-	10.7
1,864,107	+	395,719			18,231,283	+	3,942,966	+	7,289,219	+	1,778,515	+	32.3
933,385	+	31,090			9,112,116	+	1,209,112	+	2,815,744	+	708,772	+	33.6
2,324,615	+	334,403			27,585,043	+	3,583,152	+	7,412,469	+	2,392,591	+	47.7
4,756,576	+	599,405			52,324,996	+	6,718,383	+	14,329,112	+	3,567,803	+	33.1
872,880	+	216,428			10,121,981	+	815,577	+	2,379,697	+	201,909	+	9.3
1,095,720	+	22,008			11,111,544	+	949,677	+	2,220,325	+	89,174	+	4.2
4,056,760	-	967,368			50,655,397	-	1,402,365	-	20,022,697	-	1,217,515	-	5.7
23,731,996	+	3,325,599			93,586,927	+	9,817,399	+	18,326,158	+	2,261,940	+	14.1
9,371,490	+	1,286,663			35,873,958	+	3,157,122	+	6,028,309	+	1,719,208	+	39.9
5,701,842	+	250,366			57,457,545	+	3,834,092	+	15,559,449	+	1,304,419	-	7.8
3,152,492	-	356,364			36,095,463	+	3,342,503	+	13,955,074	+	1,409,888	+	11.2
5,698,243	+	496,596			60,885,498	+	8,103,536	+	21,070,982	+	2,152,753	+	11.4
30,041,095	+	2,777,885			117,991,494	+	8,891,528	+	15,140,189	-	2,657,869	-	14.9
14,830,279	+	1,538,551			58,089,557	+	4,318,452	+	10,429,496	-	138,194	-	1.3
1,376,251	-	4,000			14,681,235	+	702,508	+	2,782,217	+	730,863	+	3.6
5,208,590	+	334,358			59,618,809	+	5,882,020	+	15,396,630	+	1,534,067	+	11.1
966,766	+	128,934			11,306,639	+	1,188,767	+	4,095,049	+	652,661	+	19.0
2,145,832	+	35,631			20,510,456	+	1,255,107	+	5,624,962	+	725,541	+	14.8
5,657,681	+	87,570			57,776,684	+	4,283,339	+	15,564,356	+	510,084	+	3.4
2,483,489	+	412,369			26,558,117	+	2,912,017	+	5,414,400	+	1,208,667	+	28.8
815,217	+	243,883			9,339,015	+	1,046,486	+	1,655,054	+	396,379	+	31.2

\*Deficit. †Fiscal year begins Jan. 1.

## ESTIMATED CURRENT GROSS

ALABAMA GREAT SOUTHERN— 1913				Changes			
Third week of June.....	\$90,632	+	\$6,890				
From July 1.....	5,074,118	+	425,892				
ANN ARBOR—							
Second week of June.....	42,383	+	1,966				
July 1-June 21.....	2,187,312	+	*17,021				
BUFFALO, ROCHESTER & PITTSBURGH—							
Third week of June.....	256,382	+	28,128				
July 1-June 21.....	10,877,325	+	1,404,299				
CANADIAN NORTHERN—							
Third week of June.....	489,300	+	77,000				
July 1-June 21.....	22,278,900	+	3,320,000				
CANADIAN PACIFIC—							
Third week of June.....	2,530,000	+	20,000				
July 1-June 21.....	134,911,377	+	15,848,003				
CHESAPEAKE & OHIO—							
Third week of June.....	702,686	+	153				
July 1-June 21.....	34,015,533	+	632,925				
CHICAGO & ALTON—							
Second week of June.....	315,030	+	43,118				
July 1-June 21.....	14,624,829	+	690,086				
CHICAGO GREAT WESTERN—							
Third week of June.....	328,136	+	61,168				
July 1-June 23.....	13,063,220	+	1,127,442				
CHICAGO, IND. & LOUISVILLE—							
Third week of June.....	126,070	-	*3,364				
July 1-June 21.....	6,800,121	+	463,321				
CINCINNATI, NEW ORLEANS & TEXAS PACIFIC—							
Third week of June.....	191,408	+	1,222				
From July 1.....	10,188,760	+	686,532				

COLORADO & SOUTHERN—			
Third week of June.....	249,739	+	36,105
July 1-June 21.....	14,704,357	+	1,043,168
DETROIT & MACKINAC—			
Third week of June.....	22,900	—	*1,296
July 1-June 21.....	1,209,837	+	5,452
DENVER & RIO GRANDE—			
Third week of June.....	422,400	—	*17,100
July 1-June 21.....	23,530,500	+	1,075,400
GEORGIA SOUTHERN & FLORIDA—			
Second week of June.....	42,119	+	54
July 1-June 14.....	2,454,539	+	104,177
GRAND TRUNK—			
Third week of June.....	1,166,394	+	90,668
July 1-June 21.....	54,249,357	+	6,079,247
INTER. & GREAT NORTHERN—			
Third week of June.....	155,000	—	*9,000
July 1-June 21.....	10,967,834	+	881,011
INTEROCEANIC RAILWAY OF MEXICO (Mexican currency)—			
Third week of June.....	196,170	+	7,512
July 1-June 21.....	8,772,231	+	94,716
LOUISVILLE & NASHVILLE—			
Third week of June.....	1,090,206	+	68,795
July 1-June 21.....	58,109,095	+	3,158,341
MINNEAPOLIS & ST. LOUIS—			
Third week of June.....	208,342	+	27,545
July 1-June 21.....	9,512,682	+	1,856,383
MISSOURI, KANSAS & TEXAS—			
Third week of June.....	540,675	+	70,335
From July 1.....	31,561,543	+	4,061,300
MISSOURI PACIFIC—			
Third week of June.....	1,182,000	+	163,000
July 1-June 21.....	60,810,246	+	7,670,100



## Carnegie Took Care of His Partners

**His Agreement with Morgan Has Brought Them Double What He Has Got from the United States Steel Corporation**

When the United States Steel Corporation was formed it was necessary to get Andrew Carnegie to make a bargain for his Carnegie Company control. His properties were the biggest and strongest, and without them the "Trust" could not have been formed. J. P. Morgan first got Mr. Carnegie to agree to a sale of the Carnegie steel business, and then an open offer was made to stockholders of other companies to come into the merger. If you look back among the files of the time you will see that nowhere in any of the published official statements and advertised offers is any information given about what the basis of exchange was that got Carnegie in. The terms with all the other concerns and their owners were all stated.

Very many "close" and "authentic" guesses were made. Prof. Horace L. Wilgus of the University of Michigan says in his book describing the formation of the Corporation, published in 1901:

No official statement has been made of the number of shares issued for the stock of the Carnegie Company. In fact, when Mr. Morgan was asked as to the terms of exchange of the Carnegie stock and bonds, he laconically intimated that this was a matter which concerned the stockholders and bondholders of the Carnegie Company. Unofficial statements have put this at \$103,400,000 of preferred and \$155,200,000 common stock, and \$304,000,000 in bonds, or \$622,000,000 for the \$320,000,000 of stock and bonds of the Carnegie Company. This, perhaps, is approximately correct, although even to the other companies concerned the Carnegie deal was largely a blind pool.

### WHAT CARNEGIE GOT

The exact basis of the trade is definitely stated in a letter written by Mr. Carnegie to Mr. Morgan on Feb. 26, 1901, which the defense introduced as evidence in the "Steel Trust" suit two weeks ago. This is the letter:

New York, Feb. 26, 1901.

Messrs. J. P. Morgan & Co.:

Referring to my conference with Mr. J. P. Morgan, and to your request that the results of the conference shall be stated definitely, so as to afford a basis for your further proceeding in connection with your negotiations with the United States Steel Corporation, I have to state to you as follows:

First—I understand that the United States Steel Corporation, a corporation organized under the laws of New Jersey, is about to issue and deliver its preferred stock for an amount approximating \$450,000,000 and its 5 per cent. bonds for the aggregate principal sum of \$300,000,000.

The stocks of the United States Steel Corporation are to be received by the syndicate represented by you, and a portion thereof is to be delivered in payment and exchange for stocks of the companies hereinafter named, provided that in no instance shall there be received less than two-thirds of the total outstanding capital stock of either of the said companies, which two-thirds in each instance shall include two-thirds of the outstanding preferred stock of such company. The shares of the United States Steel Corporation to be issued in excess of the amounts deliverable for the aggregate amount of such shares of the companies hereafter named are to be retained by and belong to the syndicate which is to pay to the United States Steel Corporation certain cash sums.

Second—That the other companies whose stocks are to be received in exchange for the stock of the new company are as follows:

The Carnegie Steel Company, Federal Steel Company, National Steel Company, American Steel and Wire Company of New Jersey, National Tube Company, American Sheet Steel Company, American Steel Hoop Company, and American Tin Plate Company.

Third—I will deliver to you, or, upon your order for delivery, to the United States Steel Corporation, 5 per cent. bonds of the Carnegie Company of the par value of \$86,145,000, and 92,996 shares of the capital stock of that company of the aggregate par value of \$92,996,000, and in payment thereof will accept the bonds for \$225,639,000 (par value) of the United States Steel Corporation, to be secured by a mortgage or pledge upon all its property now held or hereafter acquired, (including bonds of the Carnegie Company as acquired), in general form similar to the mortgage or pledge now securing the collateral trust bonds of the Carnegie Company and in form to be approved by my counsel, and providing for a sinking fund of 1 per cent. per annum and minus redemption clause. It is understood, of course, that the charge of the collateral trust indenture upon property hereafter acquired by the company will be upon property so acquired subject to the terms of the acquisition thereof, and also that such charge shall be so arranged so as not to embarrass or limit the company in the use or disposition of property (other than stocks of the underlying companies and bonds of the Carnegie Company) not constituting an essential part and feature of the business of the company; and further, that proper provision shall be made for the releasing from the lien of indenture property which may cease to be valuable to the company for the prosecution of its business or which

may be for the benefit of the company to exchange or alter for the business advantage. It is also understood that the charge of the indenture shall not apply to the current assets or receipts of the corporation.

Fourth—Knowing that on the basis of this letter you are about to make a public offer, asking that the stock of the other companies be deposited on or before April 1, 1901, I will deposit, or cause to be deposited, with your firm, for the purpose of the transaction and against your receipt therefor, to be approved by my counsel, the stocks and bonds of the Carnegie Company above mentioned. It being understood that the bonds of the United States Steel Corporation to be received by me will be ready for delivery on or before the 1st day of July, 1901.

I am to receive a sum equal to my proportionate share as a stockholder of the monthly profits of the companies owned by the Carnegie Company until such time as the new bonds begin to bear interest, or the United States Steel Corporation, at its option, may pay interest on the new bonds from Feb. 1, 1901, in lieu of the interest on Carnegie Company bonds and profits on stock deposited by me.

The above proposition is conditional on your taking from the other stockholders of the Carnegie Company, if they desire, their shares of stock at the same price per share as I am to receive, to be paid in preferred and common shares of the United States Steel Corporation, viz.: For each share of Carnegie Company stock fifteen shares of preferred and fifteen shares of common stock of the par value of \$100 each, and that the remainder of the bonds of the United States Steel Corporation shall be reserved and used to acquire bonds of the Carnegie Company. Yours very truly,

ANDREW CARNEGIE.

### HOW IT HAS TURNED OUT

Mr. Carnegie, it will be seen, agreed to trade his \$86,145,000 in bonds of the Carnegie Company for \$86,145,000 in the collateral trust mortgage five of the United States Steel Corporation and his \$92,996,000 in Carnegie Company stock for \$139,494,000 in the same bonds. This was at the rate of par for par in the trade of bonds and at 150 in the new bonds for his Carnegie Company stock.

Carnegie Company stock was in denominations of \$1,000 par. Mr. Carnegie stipulated that all other bondholders should be given the opportunity to trade at the same rate. Of the Carnegie stockholders he stipulated that for each \$1,000 par share of stock they should get "at the same price per share as I am to receive," fifteen shares of United States Steel preferred and fifteen shares of United States Steel common.

Since Mr. Carnegie was to take new bonds for his stock, (at 150, and the other stockholders were to get new stock, they were not getting paid in the same kind of remuneration, and just what Mr. Carnegie meant when he said "at the same price per share as I am to receive" isn't plain—at any rate isn't stated—for they really got for 100 in their Carnegie stock 300 in United States Steel—that is, 150 in preferred and 150 in common. Maybe Mr. Carnegie had his own ideas about the value of these stocks, or one class of them, and neglected to express it.

But Mr. Carnegie took care of the Carnegie Company stockholders. Up to date they have got nearly double out of the deal that he got. On the \$150 worth of bond face value he got for every \$100 face value of his stock he has so far got \$88.12½ in interest. On their United States Steel preferred and common the old Carnegie stockholders who have held on have got \$179.25 in dividends.

At last week's prices on the Exchange the \$106 par of old Carnegie Company stock was worth \$233.25 in the United States Steel stock exchanged. The \$100 par in Mr. Carnegie's stock was worth only \$169.50 in the United States Steel bonds he took.

The minority stockholders that Mr. Carnegie "did the square thing" for have got \$91.12½ more in dividends, and at last week's prices, (which are not as high as they have been at times in the past), they could have sold at \$63.75 more than Mr. Carnegie could get for his bonds. Last week, therefore, a former minority stockholder in the Carnegie Company had \$154.87½ more for every \$100 of his old stock than Mr. Carnegie had for any \$100 in his majority stock.

### World-Wide Child Labor Conference

September 15 next has been fixed as the date for the meeting of a conference of delegates from the governments of the principal industrial countries in Europe, by invitation of the Swiss Government, to consider the drafting of an international agreement to prohibit the employment of girls and boys below specified ages, and to fix a maximum ten-hour day for youthful workers within certain other ages. The date was decided on by the Swiss Federal Council last week. An international governmental commission is to meet on Sept. 11 to arrange a basis for the periodical exchange between the governments of statistics in regard to the application of protective labor laws.

## Changes in Nationality In New England Mills

**Only Four Per Cent. of Mill Hands in Fall River Are of American Parents—English and Irish Also Are Gone**

The first cotton-mill operatives in New England and the North Atlantic States were drawn almost exclusively from the native country population available to the manufacturing centres. Most of them were young women who took this means of assisting their families, or, as was the case with a large number, laying by a sum for their own dowries.

It is related that in the early history of Lowell young girls came into the town in stage loads to seek work in the mills. Farmers' sons, mechanics, machinists, and widows from the smaller villages also were attracted to Lowell and other cotton-mill communities. This movement continued until about 1840, when the expansion of the cotton manufacturing industry, and the resultant demand for labor, outgrew the local labor resources, and it was necessary for the mill owners to seek labor not only in other States of this country but in Canada, and also to draw upon the races which were at that time emigrating to the United States.

Fares were high and people who came to the new textile towns were usually homeseekers. This foreign labor mingled with the native element and imbibed many of its admirable qualities. It was recruited chiefly from Canada and England, Ireland, and Scotland. Immigration from the above sources was characteristic of the period 1840-1880. The history of Irish emigration to the cotton-mill towns dates from a very early period, the pioneers of this race being employed as unskilled laborers before they entered the cotton industry. This was notably true in Lowell, where, prior to the year 1827, the Irish were used as laborers in constructing the mills, locks, and canals. In this locality, as well as in others, however, the heavy tide of Irish immigration did not set in until after the year 1840. Irish immigrants continued to seek work in the mills in considerable numbers up to 1895, especially during the decade 1870-1880, but after 1880-1885 the importance of this source of supply was overshadowed by others.

### NORTH OF EUROPE PEOPLES

Small numbers of English immigrants, as in the case of the Irish, had come to New England before the development of cotton manufacturing on a large scale. They were employed in small numbers in the cotton mills before 1840, and the extent of their employment steadily continued after the above-mentioned year. The immigration of the English in large numbers, however, was characteristic of the decade 1870-1880, and that race furnished a large proportion of persons of foreign birth seeking employment in the mills up to the year 1895. During the past fifteen years the immigration of the English has rapidly declined, and no recent additions of any consequence have been made to the mill operatives by members of this race. The Scotch were also early settlers in the mill towns, but they have never been employed in the mills in large numbers and form an unimportant element in the population of the mill towns as compared with the English and Irish. The Germans employed in the cotton mills, who have always ranked low in a numerical comparison with the English and Irish, are all practically immigrants of the past twenty-five years. The English and French Canadian immigration began about 1850, but did not assume large proportions until after the civil war. During the decade 1860-1870 they entered the industry in large numbers and continued to attain a constantly stronger position up to the close of the past century. During the past ten years the immigration of the English and French races from Canada has practically ceased, however, and some communities have lost a part of the population element belonging to these races which they had had before 1900. Scattering representatives of the Scandinavian race were working in the mills prior to 1880 and have steadily increased in numbers since that year, especially in the case of the operatives from Sweden.

Prior to the year 1880, therefore, the operating force of the cotton mills was composed of native whites born of native father, together with English, Irish, English and French Canadians, and small numbers of Scotch and Scandinavian immigrants. Very few representatives of races of Southern and Eastern Europe were employed in the mills.

### RECENT IMMIGRATION

The races of Southern and Eastern Europe in the textile centres in 1880 were evidently so small

as to be a negligible quantity. During the decade 1890-1900 the movement of races from the south and east of Europe set in rapidly, and the influx of immigrants from Great Britain and Northern Europe, with the exception of Germany, practically ceased. Immigration from Canada increased, but in a decreasing proportion as compared with former years. Of the new immigration, the Greeks, Portuguese, Russians, Poles, and Italians entered in the largest numbers.

The races coming in largest numbers since 1900 have been the Greeks, Portuguese, and Bravas from the Western Islands, Italians mostly from Southern Italy, Poles, Hebrews, Syrians, Armenians, Bulgarians, and Turks. French Canadians have also continued to enter the mills, but in diminishing numbers. The arrival of members of races from Northern Europe and Great Britain has practically ceased. The additions to the operating forces of the mills at present consist of members of races from Southern and Eastern Europe, which are fast displacing the operatives of older immigration.

Although in the early days of the industry practically all the mill hands in Fall River were of native stock, operatives of American parentage are now very few. In the year 1900 they constituted less than 4 per cent. of the persons employed in the cotton goods industry.

### COTTAGE INDUSTRY IN RUSSIA

#### A Movement Which Has Been Productive of Some Interesting Results.

It is some thirty years ago since the Russian Government and public institutions began to give any regular assistance to cottage industries, but since the first Russian Cottage Industries Exhibition at St. Petersburg in 1902 the aid afforded to them has been far greater and more varied. The impulse given by that exhibition to Government and public efforts has shown the necessity for such periodical exhibitions, and the Ministry of Agriculture has decided to hold them about every ten years. The second Exhibition of Russian Cottage Industries was opened on March 10-23, 1913. It remained open for six weeks. Visitors were so numerous that at times, in order to avoid overcrowding and to facilitate a proper examination of the exhibits, admittance had to be temporarily suspended. The total number of visitors was 200,000, of which over 20,000 were admitted free, these being pupils of various schools and excursion parties of cottage artisans, who were given a free trip to St. Petersburg to see the exhibition. The artisans were, moreover, provided for three days with free board and lodging by the Ministry of Agriculture.

The bulk of the exhibits consisted of various kinds of textiles, carpets, lace, and needlework—embroidery, insertion, knitting, and so forth. Another important group of exhibits consisted of products of the wood-working industries, such as wooden toys, furniture, coopers' wares, basket-work of willow, bamboo, and other materials, and, lastly, some articles for sport, such as skis and boats. Next came the group of earthenware, both for household use and for decorative purposes. Then followed a series of articles made of metals, beginning with knives, scissors, locks, various wrought-iron work, and side arms, and winding up with agricultural machinery. This group included manufactures of both wood and metal, such as vehicles, agricultural machinery, and implements. Finally, there were exhibits of furs, leather, nets, ropes, and cables, articles made of colored and precious stones, artificial flowers and fruit, and botanical, mineralogical, anatomical, and other instructive collections.

At a dinner given by the Minister of Agriculture mention was made of the celebrated English writer and poet of manual labor, John Ruskin, who is held in great and merited esteem in Russia, and whose opinions have frequently been quoted in support of the necessity of encouraging cottage industries as a branch of national labor which, while affording subsidiary pecuniary resources to the rural population, enables it to satisfy its artistic cravings and to exercise its creative fancy.—*Russian Correspondence in The London Times.*

#### Model Mining City

A model mining town of 1,000 buildings is to be built by the Elkhorn Fuel Company of Fairmont, W. Va., in connection with the development of a tract of 300,000 acres of coal land, of which 235,000 acres are in Kentucky and 15,000 in West Virginia. The town will be in Letcher County, Kentucky, and the contract for its construction has been awarded to the Nicola Building Company of Pittsburgh.

## Utilities

### Economies of Improved Street Railway Cars

#### The Centre Door and Low Step Cars, with Prepayment Devices, and Better Motor Control Have Shown Big Results

J. S. DOYLE.

\*Our present standard types of cars require passengers to clamber from the ground over the tops of motors and other apparatus, not infrequently for a vertical distance of 40 inches, which operation, in this character of service, is not only unnecessary and burdensome but is a constant hazard to life and limb. Compare this, if you please, with the safe, simple and logical method of entering such a type of car at the centre merely by raising the foot the height of a curb or an ordinary house step and then traversing a minimum distance, and you have at once the difference. Add to this the further striking fact that boarding and alighting accidents can and have been eliminated by this particular design of car and you begin to appreciate that there is some real pleasure and value in store, not only for ourselves, but most important of all for our street railway patrons. Go a step further and duly consider the size and weight of this apparatus called a car and make it suitable for the particular purpose for which it is intended and you will be inclined to believe that there is room for economy even in a subject as old as Methuselah.

In the centre-entrance cars the weight question both for seated and standing loads has been minimized to a degree never dreamed of before. In car design, also, there is such a thing as making a car too large, for its size is usually determined by the requirements of the rush-hour service. It should be borne in mind, however, that the rush-hour service period is the smallest portion of the operating day and that the non-rush-hour period deserves some consideration. The size of the car, therefore, should receive careful attention, for in the light of past events the hit-and-miss methods once in vogue for designing cars are being dearly paid for by many railway operators. Whether a car be of the centre-entrance, prepayment or standard types, the all-day passenger load factor should receive due consideration, and the economical medium, with respect to the size, weight, &c., of the car, be determined. The two-motor versus four-motor phase of the question also needs resurrection. The reduction in weights of cars and equipments has, of course, correspondingly reduced horse-power requirements. The combination of reduced weights and horse-power therefore has opened up economical possibilities in the use of maximum traction trucks.

#### PUBLIC'S COMFORT

In addition to the safety of entering and leaving centre-door types of cars, there is also the vitally important feature of comfort to your traveling public. To understand public appreciation of this phase of the problem, it is only necessary to witness the satisfaction shown in communities where such cars are used. In addition to the elimination of boarding and alighting accidents, attention has also been given to minimizing front-end pedestrian accidents. Improvements in fender design have been made that will reduce very materially the number and seriousness of these accidents, which is not only desirable from a humanitarian point of view through safeguarding the lives of your passengers but in addition produce economy through reducing the legal liability of the railway.

Car ventilation, heating and lighting are also items that are progressing rapidly. When your patrons begin to appreciate the value of adequate car ventilation, public relations are bound to improve. Economical heating is being obtained through the use of thermostats, but how many of us know the value of this apparatus? The recent rapid development of the tungsten lamp has resulted in reducing this item of expenditure 23 per cent. and has at the same time wonderfully improved the lighting effect.

As a general rule, motor gear ratios should be inventoried from time to time, for it has been found that such records not infrequently produce large economies by showing that the gear ratios

\*From a paper read at the Annual meeting of the New York Electric Railway Association by J. S. Doyle, Superintendent of Car Equipment, Interborough Rapid Transit Company.

should be changed to decrease energy consumption. Likewise, the qualities of the materials with which gears and pinions are now being manufactured should be thoroughly understood, for wonderful results are now obtained with improved metals. When new motors are to be installed field tap control is now the order of the day.

To summarize this subject, new car designs of to-day are admittedly radically different from those of other days, but every difference has a reason, and each reason has an economy. In other words, the problem is apparently now being more thoroughly analyzed, after which the most suitable design of equipment is selected to meet the condition.

#### PREPAYMENT OPERATION

Methods of fare collection are receiving more attention than ever before, and it is now only a question of how valuable prepayment may prove to be. A notable demonstration of its value has just been made by the introduction of prepayment cars on the Fifty-ninth Street line of the Third Avenue Railway, New York. The change from the ordinary non-prepayment car, which was made overnight, resulted in a revenue increase of 9½ per cent. notwithstanding the fact that the car mileage was reduced 4½ per cent. The annual report of the Chicago Railways Company for the year ended Jan. 31, 1912, shows an increase in gross receipts of 63 per cent. for the past four years. There are some 1,500 pay-as-you-enter cars in that company's service, and while this increase in receipts can partly be accounted for through the normal growth of Chicago, and the railway's business, a considerable margin can still be attributed to improvement in fare collection. The importance of fare collection is, of course, appreciated by all, but what have we done to take prompt advantage of the methods that are now known to be entirely satisfactory?

The fare box has been extensively introduced as an adjunct to prepayment operation. The value of this apparatus is contained in its moral influence on the conductor, and when it fails mechanically its influence and many nickels are lost at the same time. Fortunately, the remarkable development of the fare box indicates that mechanical failures and general cost of upkeep are becoming very low. On the third Avenue Railway, for instance, two men suffice to maintain about 550 boxes.

#### ENCOURAGING ECONOMICS IN ENERGY CONSUMPTION

Bonus and piecework systems have been mentioned as means for rewarding the workman who helps to produce economies in the shops. There is also the question of extending this reward to the efficient train operators who fulfill the schedule requirements in the most economical way through minimizing the consumption of electrical energy with its coincident saving in brakeshoe and wheel wear, &c. Different methods of doing this have been followed both here and abroad. Investigation will demonstrate that any number of companies are now obtaining savings of from 7 per cent. to 15 per cent. in energy consumption, 30 per cent. to 40 per cent. in brakeshoe wear and 20 per cent. to 30 per cent. in wheel wear.

#### Idaho's New Commission

The State of Idaho approved an act passed by the State Legislature to provide for the organization of a public utilities commission. The term "public utility" as used in the act includes every common carrier, pipe line corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, wharfinger and warehouseman, and it covers all cases where a service is performed and a commodity delivered to the public, either directly or indirectly.

### PUBLIC UTILITIES NEWS

AMERICAN LIGHT & TRACTION COMPANY.—			
The company reports for May and the five and twelve months ended May 31 last:			
	1913.	Increase.	
Gross earnings .....	\$333,732	\$13,012	
Expenses .....	10,729	37	
Net earnings .....	\$323,003	\$12,975	
Five months:			
Gross earnings .....	1,747,979	83,912	
Expenses .....	53,402	101	
Net earnings .....	\$1,694,577	\$82,811	
Twelve months:			
Gross earnings .....	4,340,596	229,125	
Expenses .....	118,648	*517	
Net earnings .....	\$4,221,948	\$229,643	

\*Decrease.

Two of the subsidiary corporations have increased their capital stocks in order to provide for the financing of betterments and improvements. The San Antonio Gas and Electric Company has increased its capital stock from \$1,100,000 to \$1,500,000, and the San



Antonio Traction Company from \$1,120,000 to \$1,400,000. All of the new stock has been taken up and paid for in full. The increases were made to reimburse the holding company for advances made on account of new construction to the properties, both having expended large sums of money in recent months for extensions and betterments.

**CITIES SERVICE CORPORATION.**—Henry L. Doherty & Co. are offering to investors at par \$2,000,000 7 per cent. five-year convertible coupon notes of the corporation, dated May 15, 1913. The notes are part of an authorized issue of \$10,000,000, of which \$3,000,000 were sold in England last month. They are redeemable at 102 and interest on thirty days' notice.

**CLEVELAND AND EASTERN TRACTION CO.**—The Ohio Public Service Commission has refused to approve a bond issue applied for by the company for the purpose of erecting sub-stations on the ground that the financing provided for no improvements of permanent value for capitalization and declared that the erection of the sub-stations should be charged to maintenance and not to capital account.

**COLUMBUS GAS & FUEL COMPANY.**—The Directors are now considering the terms of an agreement by which the company would turn over its producing properties to the Ohio Fuel Supply Company, in return for the business and local plant of the Federal Gas & Fuel Company. By completing this arrangement the Columbus Gas & Fuel Company would become the sole distributor of gas in Columbus.

**CONSOLIDATED GAS COMPANY.**—The company has sold to the National City Bank \$15,000,000 eight-months 6 per cent. collateral gold notes. The notes are a direct credit obligation of the company and are additionally secured by a pledge of \$15,000,000 New York Edison Company 6 per cent. stock. They are being offered to investors at a price to yield 6½ per cent. The company has a note issue of \$5,000,000 maturing on Aug. 1, and the proceeds of the sale will be used in part to retire this obligation. The remainder will be used to reimburse the company for expenditures made during the year in extending the lighting and power plant at Astoria.

**CONTINENTAL GAS AND ELECTRIC CORPORATION.**—The company has just declared the initial dividend of ½ of 1 per cent. on its common stock, payable July 1 to stock of record of June 20. At the same time the regular quarterly dividend of 1½ per cent. was declared on the preferred stock.

**COLUMBIA GAS AND ELECTRIC.**—The company announces that under the offer of June 3, 1913, for the exchange of 5 per cent. debentures of the Columbia Gas and Electric Company for the preferred and common stocks of the Union Gas and Electric Company, there have been deposited with the Central Trust Company \$1,200,100, par value, of the preferred stock, and \$3,902,600, par value, of the common stock, together with the dividend certificates owned by the holders thereof. The offer for the exchange of the securities is, therefore, declared effective.

**GREAT NORTHERN POWER COMPANY.**—The company has increased its authorized capital stock from \$2,500,000 to \$11,000,000.

**NORTHERN OHIO TRACTION & LIGHT COMPANY.**—The company has recently closed several contracts with the large rubber companies at Akron, Ohio, to supply power to their factories, and also is adding materially to its number of consumers of current for lighting.

**OHIO TRACTION COMPANY.**—The company passed dividend on the common stock as a result of the recent street railway strike.

**PACIFIC LIGHT & POWER COMPANY.**—The corporation has applied to the California Railroad Commission for authority to issue \$2,500,000 of its 6 per cent. first preferred stock. The proceeds of the new stock are to be used in connection with construction work upon the company's hydro-electric development at Big Creek, Cal. The authorized amount of the first preferred stock is \$5,000,000, of which \$1,182,000 is now outstanding. The company also has outstanding \$9,975,000 second preferred stock.

**THIRD AVENUE RAILWAY.**—The Third Avenue and Associated Companies reports consolidated statement of income for May and five months ended May 31, 1913, as follows: May gross, \$967,821; net after taxes, \$362,017; other income, \$4,969; total income, \$366,986; surplus after charges, sinking fund, and depreciation, \$115,360; five months gross, \$4,114,624; net after taxes, \$1,406,705; other income, \$31,432; total income, \$1,438,137; interest, hire of equipment sh. pd., \$564,383; interest on adjustment mortgage income bonds, \$460,506; depreciation, \$187,540; net income applicable to stock, \$216,754.

**UNITED RAILWAYS OF ST. LOUIS.**

	1913.	1912.	Increase.
May gross	\$1,120,757	\$1,085,013	\$35,744
Net after taxes	342,604	331,400	11,204
Other income	7,396	7,019	377
Surplus after charges	127,610	113,003	14,607
Five months gross	5,147,938	4,901,750	246,179
Net after taxes	1,490,567	1,494,510	\$3,943
Other income	36,308	22,510	13,798
Surplus after charges	412,601	389,286	22,315

\*Decrease.

**VIRGINIA RAILWAY & POWER COMPANY.**—For the eleven months ended May 31 gross earnings were \$1,445,144, a gain of \$273,571. Gross income for the eleven months was \$2,305,185, an increase of \$285,865. From this were deducted taxes interest, rentals and other charges aggregating \$1,372,292, leaving a surplus applicable to dividends of \$932,893 for the eleven months. Depreciation, amounting to \$8,333 monthly, has been charged into operating expenses for the eleven months or a depreciation charge of \$100,000 a year.

## Utilities Securities

Transactions and range of quotations for various public utilities securities on other than the New York markets last week were as follows:

Stock.	Market.	Sales.	High.	Low.	Last.
Akron, Bed. & Clev. 5s..Clev.	\$3,000	99½	99½	99½	
Am. Cities Co. pf. New Orleans	1,684	69½	69½	68½	
Am. Cities Co. 6s. New Orleans	\$7,000	91	90½	90½	
Am. Gas & Elec. 5s.....Phila.	\$5,000	84	84	84	
Am. Gas of N. J.....Phila.	50	103	103	103	
Am. Railway pf.....Phila.	48	38	38	38	
Am. Railways pf.....Phila.	5	99½	99½	99½	
Am. Tel. & Tel.....Boston	2,879	128½	127½	128½	
Am. Tel. & Tel.....Chicago	150	128½	128	128½	
Am. Tel. & Tel. 4s.....Boston	\$28,000	87	86½	86½	
A. T. & T. 4½s, f. p.....Boston	\$20,500	100½	99½	100	
Aurora, Elg. & Chic. Ry. Clev.	9	84½	84½	84½	
Baltimore Elec. pf. Baltimore	15	42	42	42	
Baltimore Elec. 5s. Baltimore	\$4,000	97½	97	97½	
Bay State Gas.....Boston	6,490	18	16	18	
Bell Telephone.....Toronto	10	141	141	141	
Bell Telephone.....Montreal	377	144	142	142	
Bell Telephone 5s. Montreal	\$3,500	100	99½	99½	
Boston Elevated.....Boston	111	86½	85½	86½	
Brazil Tr. L. & P.....Toronto	4,018	87½	84½	86½	
Brazil Tr. L. & P. Montreal	1,570	87½	84½	86	
Capital Trac.....Washington	114	117½	116½	117	
Capital Trac 5s.....Washington	\$5,500	109	108½	109	
Chic. City Rys. 5s.....Chicago	\$22,000	99½	99½	99½	
Chic. City & Con. 5s.....Chicago	\$10,000	80	80	80	
Chic. Elevated Ry.....Chicago	13	76	76	76	
Chic. El. Ry. 5s.....Chicago	\$5,000	94	94	94	
*Chic. Rys., Series 1.....Chicago	615	102	93	96	
Chic. Rys., Series 2.....Chicago	5,277	24½	19	23½	
Chic. Rys., Series 3.....Chicago	645	7½	6	7½	
Chic. Rys. 5s.....Baltimore	\$8,000	96½	96½	96½	
Chic. Rys. 1st 5s.....Chicago	\$35,000	96½	96	96½	
Chic. Rys. 5s, Series B.....Chicago	\$31,000	79½	78½	78½	
Chic. Rys. Inc., 5s.....Chicago	\$4,000	50	50	50	
Chic. Tel. 5s.....Chicago	\$17,000	100	99½	100	
Cin. Gas & Elec.....Cincinnati	12	68	65	65	
City & Suburban 5s.....Balt.	\$1,000	103	103	103	
C. N. & C. L. & T. P. pf. Cin.	15	75½	75½	75½	
Cities Service pf.....Columbus	9	79½	79½	79½	
Cleveland St. Ry.....Cleveland	153	103	103	103	
Columbia Gas & Elec.....Cin.	250	106½	106½	106½	
Columbia Gas & Elec.....Pitts.	395	104½	104½	104½	
Columbia R. R. 5s.....Wash.	\$4,000	100	100	100	
Columbia Edison pf. Columbus	20	100½	100½	100½	
Columbus Ry. & Lt. Columbus	10	13½	13½	13½	
Columbus Ry.....Columbus	20	59½	59½	59½	
Common. Edison.....Chicago	50	128½	128	128½	
Common. Edison 5s.....Chicago	\$7,000	100½	100½	100½	
Con. Gas 4½s.....Baltimore	\$7,000	93½	92½	92½	
Con. Power.....Baltimore	140	105	105	105	
Con. Power pf.....Baltimore	95	108	108	108	
Con. Power 4½s.....Baltimore	\$1,000	86½	86½	86½	
Con. Trac. N. J. 5s.....Phila.	\$3,000	100	100	100	
Consumers' Gas.....Toronto	222	170	167	160	
Detroit Elec. Ry.....Montreal	433	67	65	65	
Detroit United Ry 4½s. Balt.	\$4,000	70	70	70	
Duluth Superior.....Toronto	94	57	55	56	
East St. L. & Sub. 5s.....St. L.	\$2,000	91½	91½	91½	
Edison Elec. Co. 5s. N. Orleans	\$1,000	100½	100½	100½	
Edison Elec. Ill.....Boston	149	273	267	273	
El. & P. T. 4s.....Phila.	\$2,000	82½	82½	82½	
Equitable Ill. 5s.....Phila.	\$1,000	105	105	105	
Fairmont C. & Tr. 5s.....Balt.	\$5,000	99	99	99	
Fayette County Gas.....Pitts.	20	102	102	102	
Georgia Ry. & Elec. pf. Bos.	93	84	83½	83½	
Harwood Elec. 6s.....Phila.	\$1,000	102½	102½	102½	
Illinois Trac. pf.....Montreal	251	89	88½	89	
Interborough-Met.....Phila.	200	15½	14½	14½	
Interborough-Met. pf.....Phila.	275	56½	55	55	
Inter-State 4s.....Philadelphia	\$2,000	57½	57½	57½	
Kan. Cy. Home Tel. 5s.....St. L.	\$4,200	92	90	90	
Keystone Tel. pf.....Phila.	100	11	11	11	
Keystone Tel. pf.....Phila.	100	45	45	45	
Lehigh Val. T.....Phila.	165	20½	20	20½	
Lehigh Val. Tr. pf.....Phila.	319	32½	32	32	
Mackay Co.....Toronto	442	78	77	77	
Mackay Co.....Montreal	20	78	78	78	
Mrs. Lt. & Heat, Pittsburgh	885	49½	48½	49½	
Maryland Elec. 5s.....Baltimore	\$2,000	97	97	97	
Maryland and Pa.....Baltimore	100	30	30	30	
Mass. Electric pf.....Boston	15	13	12½	12½	
Mass. Elec. pf.....Boston	102	68	67	67	
Mass. Gas.....Boston	1,784	91½	89½	90½	
Mass. Gas pf.....Boston	194	88	87	88	
Mass. Gas 4½s, 1931.....Boston	\$9,000	94	93½	93½	
Met. W. S. El. gold 4s. Chicago	\$6,000	78½	78½	78½	
Met. W. S. El. ext. 4s. Chicago	\$2,000	77	77	77	
Mexican No. Power.....Montreal	25	9	9	9	
Mexican Tel.....Boston	46	3½	3½	3½	
Mexican Tel. pf.....Boston	23	6	6	6	
Montreal L. H. & P. Montreal	1,430	212½	209½	211	

Stock.	Market.	Sales.	High.	Low.	Last.
Montreal Telegraph.....Montreal	3	135½	135½	135½	
Montreal Tram.....Montreal	124	175	175	175	
Montreal Tram deb.....Montreal	1,395	80	76	76	
Montreal Tram Pow.....Montreal	1,005	37	33	36	
Montreal St. Ry. 4½s. Montreal	\$3,800	100	100	100	
Muncie, H. & Ft. W. 5s.....Cleve.	\$1,000	87	87	87	
Nash. Ry. & L. 5s.....New Or.	\$5,000	100	100	100	
New England Tel.....Boston	120	140	137½	140	
New England Tel. 5s.....Boston	\$12,000	101½	100½	101½	
N. O. Ry. & Lt. R. R. 5s. N. Or.	\$3,000	104	104	104	
N. Or. Ry. & Lt. 4½s.....N. Or.	\$15,000	82½	82½	82½	
Norfolk & P. Tr. 5s.....Baltimore	\$1,000	87	87	87	
Nor. Ohio Tr. & L. pf. Clev.	10	98	98	98	
North. Cal. Power.....San Fran.	50	25½	25½	25½	
Ottawa L. H. & P. Montreal	530	152	143	150	
O. L. H. & P. rights. Montreal	1,985	20½	17	20	
Pac. Gas & Elec.....Chicago	445	41	35	36	
Pac. Gas & Elec.....San Fran.	300	40½	39½	39½	
People's Gas.....Chicago	390	107½	107	107½	
People's Gas ref. 5s.....Chicago	\$16,000	99½	99½	99½	
Penn. Water & P.....Balt.	175	64	60	61½	
Penn. Water & P. 5s.....Balt.	\$1,000	89½	89½	89½	
Philadelphia Co.....Phila.	521	49½	49	49	
Phila. Co. 1st 5s.....Phila.	\$1,000	98	98	98	
Phila. Co. con 5s.....Phila.	\$6,000	88	87½	87½	
Phila. Electric.....Phila.	1,801	21½	21½	21½	
Phila. Elec. gold 5s.....Phila.	\$2,000	102	102	102	
Phila. Electric 4s.....Phila.	\$14,000	79½	79½	79½	
Phila. R. T. stock.....Phila.	100	21½	21½	21½	
Phila. R. T. t. c.....Phila.	2,720	22	21½	21½	
Phila. Traction.....Phila.	120	82	82	82	
Philippine Tel. & Tel. San Fran.	50	22	22	22	
Porto Rico Rys.....Montreal	10	56	56	56	
Porto Rico Rys.....Toronto	10	54	54	54	
Potomac Elec. con. 5s. Wash.	\$11,000	100½	100½	100½	
Public Svc. Corp. pf. Chicago	75	43½	42	42	
Quebec Railway.....Montreal	525	14	11	12	
Quebec Railway 5s.....Montreal	\$5,500	49	47	47	
Railways Co. General.....Phila.	100	9	9	9	
St. Louis & Sub. 5s.....St. Louis	\$1,000	70	70	70	
Shawingian W. & P. Montreal	100	120	124	124	
South Bend 4s.....Baltimore	\$1,000	101½	101½	101½	
Toronto Railway.....Toronto	286	137½	136	137	
Toronto Railway.....Montreal	84	137½	136	137	
Twin City.....Toronto	237	102½	102	102½	
Twin City.....Montreal	55	102½	102½	102½	
Union Traction.....Philadelphia	650	47½	47½	47½	
United Gas Imp. Philadelphia	877	85	84	85	
United Rys. Inv. Philadelphia	50	21	21	21	
Un. Ry. & E.....Baltimore	1,400	25½	25½	25½	
Un. Ry. & E. 4s.....Baltimore	\$46,000	82½	81	81½	
Un. Ry. & E. Balt. fdg. 5s. Balt.	\$2,000	87	86	86	
Un. Ry. & Elec. inc.....Balt.	\$20,000	62	61½	62	
Un. Ry. Co. of St. L. pf. St. L.	25	32½	32½	32½	
Un. Ry. Co. of St. L. 4s. St. L.	\$8,000	70	69½	69½	
U. S. Long Dis. Tel.....Los A.	10	11	11	11	
U. S. Tel. 5s.....Cleveland	\$1,000	80	80	80	
Utility Imp.....Columbus	58	50½	48½	48½	
Utility Imp. pf.....Columbus	7	68½	68½	68½	
W. B. & A. pf.....Cleveland	24	34½	34½	34½	
W. B. & A. 1st 5s. Cleveland	\$2,000	82	81½	82	
Washington Gas.....Washington	1,166	87½	86	86½	
Washington Gas 5s.....Wash.	\$2,500	108	107½	108	
Wash. Ry. & Elec.....Wash.	320	90½	90	90½	
Wash. Ry. & Elec. pf. Wash.	142	89	88	88½	
Wash. Ry. & Elec. 4s.....Wash.	\$1,500	82½	82½	82½	
Wash. & Van 4½s.....Balt.	\$1,000	91½	91½	91½	
West. Can. Power.....Montreal	18	55	54½	55	
West. Can. Power 5s. Montreal	\$4,000	96½	96½	96½	
West End St. Ry.....Boston	20	70½	70½	70½	
West End St. Ry. pf. Boston	6	88	88	88	
W. End St. Ry. 4s, '17. Boston	\$6,000	96½	96½	96½	
West. Tel. & Tel. 5s. Boston	\$3,000	98½	98½	98½	
Western Union Tel.....Boston	40	61½	61½	61½	
Winnipeg Ry.....Toronto	15	194	193½	193½	
Winnipeg Ry. 5s.....Montreal	\$1,000	100	100	100	
York Ry.....Philadelphia	25	12	12	12	

\*Ed. div.

# News Digest

## FORECAST AND COMMENT

**NATIONAL CITY BANK.**—It is obviously the intention of the Treasury authorities by the activities of the past month to prepare for any close money situation which may arise from business demands, or because of changes in the fiscal policy of the Government as a result of putting into effect the new tariff, now in consideration in the Senate, which is expected to become a law in the course of the next few weeks. The methods employed by the Secretary are familiar ones, but they have ordinarily been used in conjunction with actual and manifest conditions requiring relief. It remains to be seen, therefore, whether by a distribution of public funds at this time, a stringency in the money market may be avoided in the Autumn during the crop moving period. After a distribution of the \$10,000,000 set aside by the Treasury for the purpose of increasing depositary balances, the Treasury will still have on hand some \$20,000,000 or \$10,000,000 available for further distribution in case of necessity. The present crop outlook gives indication that banks throughout the country will be called upon to finance a large movement, and it would seem to be prudent, therefore, that the Treasury hold in hand sufficient funds to carry the country through the usual seasonal demand. An additional reason for husbanding Treasury resources is to be found in the fact that customs receipts are now showing a considerable decline in anticipation of the lower rates under the new tariff. This gives rise to the thought that after the new rates become effective there may be a considerable influx of importations to be financed at a time when the crops are moving and which may cause an additional demand for money.

**J. P. MORGAN.**—J. P. Morgan told the Public Service Board last week that this was not a very good time for a corporation to raise money. Mr. Morgan would not hazard an opinion on the length of time which might elapse before money became easier. "The State of Tennessee wanted \$10,000,000, and couldn't get it, and so they issued one-year notes for that amount," said he. "Just yesterday they came around trying to sell those notes. Still, Tennessee has just as good security as any other State. It isn't a matter of security so much just now as of available money. The money just isn't available for the needs now. So, from the case of Tennessee you will find a pretty fair example of the state of the financial market." "How long do you suppose the condition as at present will last?" asked Commissioner Decker. "Well, I can't say that," replied Mr. Morgan. "I can hardly give an opinion on it. The trouble is that the call for capital just at present is a little greater than the available amount. To make it clearer, I mean that the legitimate needs of business are greater than the available capital just now, and therefore the demand for money is higher than it has been."

**PRESIDENT SHAUGHNESSY OF CANADIAN PACIFIC.**—There has been no over-expansion in Canada. Building trades returns show no recession in operations, and bank clearings in the West continue high. So long as we continue to receive immigrants at the record rate prevailing, Canada's business must continue to expand. Two years from now I expect expansion in even more accelerated volume. Our so-called adverse trade balance is the result of our rapid growth and goes to show that Canadian manufacturers are unable to supply demand. We bought 250,000 tons of rails in Canada this year, but had to buy additional tonnage in the United States because Canadian makers could not supply our Fall demands. It is the same in other industries. That adverse trade balance is a measure of our business activity.

**JAMES B. FORGAN.**—Money continues hard, but we are getting into the usual Summer lull. Our reserve percentage is better than a year ago, and we anticipate no unusual difficulty during the crop rush next Fall. There is always some strain then. It's strange that people so readily comprehend railroads' peak of load, but not banks' peak of load. Our only difficulty now is comparative lack of secondary reserve. Not much paper is maturing, but we offset that circumstance by holding back on new commitments. The money situation has improved and is not impressively abnormal.

**LEE, HIGGINSON & COMPANY.**—Unusually high money rates during the last year have resulted in very low prices for investment bonds. In our opinion these prices for long-time bonds are now very attractive, and we believe the investor should take advantage of this unusual opportunity to secure a good rate of income over a series of years, even though the net return for the moment may be somewhat less than on the short-time securities.

**MARSHALL FIELD & CO., CHICAGO.**—Dry goods trade has kept up well during the week, the warmer weather and timely rainfall in sections where moisture was most needed being a factor in bringing this result. Reorders through the mails indicate low stocks on retail shelves. Merchants have operated conservatively during the past six months, and although the selling seasons were somewhat backward, indications are that the inventories which will be closed within a few days will show a very satisfactory business for the first half of the year. Manufactured stocks in all lines are low and merchandise most in demand at the present time is hard to get from the mills. More future business was booked than during the corresponding week a year ago and current shipments for the month show an increase over those of June last year. Collections are about normal.

**DUN'S REVIEW.**—There has been some slackening in retail trade, the usual Summer dullness being reported at many points, but wholesale distribution continues in fair volume. As for some time past, buyers confine their operations mainly to actual needs, the fast approaching completion of the new tariff naturally resulting in a wholesome conservatism in this respect. Crops, now

entering upon their most critical period, have passed another week with no serious loss from their previous satisfactory condition, although reports indicate some deterioration in Spring wheat. Consumers of iron and steel have not ceased to urge deliveries, but premiums have almost entirely disappeared and price concessions are made in some finished material departments. Many dry goods jobbing houses are deferring the placing of orders for Fall and Spring until after the semi-annual meetings of the wholesale associations next month. Prices on cotton goods are firm, owing to the high position of the raw material, light stocks, and carefully restricted output. There is a good demand for Spring hosiery and underwear, but men's wear mills are curtailing production.

**JOHN V. FARWELL COMPANY, CHICAGO.**—General sales continue good and show an increase over last year. Hot weather caused a strong demand for sheer, printed wash fabrics, and sales in the city and country are very large. Orders have been received from all over the country for seasonable wash goods for special midsummer sales. Merchants are preparing for an unprecedented call for laces of all descriptions.

**DOW-JONES BULLETIN.**—General trade continues to curtail, although there is still a fair volume of business moving. There is no accumulation of merchandise anywhere, partly because the business world is awaiting the basis of value as it will be fixed by the new tariff, and partly because of the restriction of credit and the scarcity of money. General prices are tending downward in most lines. Business sentiment is fairly hopeful. It is good opinion that much greater activity will develop in the Fall, especially if crops harvest as now indicated. In a word, it is a waiting situation. The cotton goods market, although as quiet as ever, holds steady. The small sales of the recent past have had no disturbing effect on prices—much to the discomfiture of the small hold-out buyers who have been looking for sacrifices here and there. Business on coarse goods is still relatively better than on fine goods. Certain staple lines have been going fairly well. On the other hand even in the fine goods department there is a fair call for fancies. Prices on all lines are very close. Curtailment continues in all textile centres. This consistent restriction of production, together with present small supplies of goods may augur well for the future.

**GRADSTREET'S.**—Business holds up remarkably well, notwithstanding that the midsummer season for inventoring is approaching.

**THE IRON AGE.**—The amount of business going on the looks of the steel companies is more than would be looked for in view of the policy of so many buyers to avoid contracting beyond what is absolutely necessary. The railroads in particular, owing to present restrictions on their financial plans, are for the most part limiting their iron and steel buying to the renewal of contracts for supplies required by their everyday operations. Some of these are just now coming in for the second half of the year. There is some rail inquiry, but new bridge and car work has been falling off. Consumers have not ceased to urge deliveries. That much is clear, and the way in which jobbers' stocks are being drawn down also indicates sustained consumption. Thirty days more may answer the question whether these jobbers will again place large orders with the mills. Pig iron prices have settled to a point at which more buyers are attracted.

**THE IRON TRADE REVIEW.**—With the approaching close of the first half of the year many consumers who have been very reluctant in regard to placing orders for pig iron are now feeling the necessity of covering for their requirements, and a largely increasing tonnage is pending.

**COAL AGE.**—While there are some soft spots in the hard-coal trade, there is, nevertheless, a strong, healthy undertone apparent. Dealers are becoming overstocked on some grades, but there is no indication of any let-up in the demand. However, it is becoming clear that many consumers carried over fair supplies, because of the mild Winter, which will, of course, curtail the Summer stocking, but it is difficult to tell how the Fall trade will line up yet. In bituminous, the West Virginia strike situation is assuming serious proportions again, and the Eastern bituminous market hinges almost entirely on developments there. As a result, the trade is firm in every particular, many operators being forced into the open market for prompt tonnages to fill out their contract obligations. There has been a perceptible rush to cover on the part of consumers, and preparations for the worst are being made at a number of points. At the moment there is a good car supply, but the feeling prevails that there will be a serious shortage the coming Fall. Operators, as a rule, are afloat to accept further orders, and the situation in the Eastern market may be regarded as fairly tense at the present time.

**JAMES H. BROOKMIRE.**—Present indications are that we may enjoy some further recovery this Summer, but if there is no easing of money conditions, and none now seems possible, we shall see further liquidation later on. In view of the fact that money conditions in Europe will be much easier by the Summer of 1914, it seems safe to say that when the worst of the money strain next Fall is at hand, good stocks may be purchased without fear and with reasonable grounds for anticipating a handsome profit on judicious investment.

**THOMAS GIBSON.**—Generally speaking, there is little change to report in business conditions as a whole, but such as has come to light is in the way of improvements.

## GENERAL

**INCOME TAX CHANGES.**—Democratic Senators of the Committee on Finance have made important changes in the income tax section of the Tariff bill. Among these is a reduction of the exemption limit for the normal tax from \$4,000 to \$3,000. This is partly offset by a provision adding to this exemption limit another \$1,000, in case the taxpayer has a dependent wife or husband, and an additional \$500 exemption for each de-

pendent child. The protest of mutual life and mutual marine insurance companies has resulted in the decision to give exemptions. As to mutual life insurance companies, the exemption applies to that part of the premiums either actually paid back to the individual policy holders as dividends or credited to them on the books of the company. A somewhat similar provision lightens the burden of mutual marine insurance companies. To meet the protests of representatives of New York City, Chicago, and other municipalities whose traction companies and other public utilities pay over part of all their profits to the municipality, an amendment has been inserted exempting the incomes of corporations profits of which accrue to a State, municipality, or other local Government. Another important exemption permits corporations to exclude from their returns interest on their indebtedness, even when in excess of their capitalization, in cases where the indebtedness is secured by collateral and is incident to the business of the corporation. Undivided profits of corporations and partnerships are included in the income subject to the tax.

**CURRENCY BILL.**—The Currency bill, as introduced into Congress, differs from the previously published draft in the following respects: The fixing of the rediscount rate for each district is now to be left to the "regional reserve bank" of the district—subject to supervision by the National Board, but not to be imposed originally by that board. The new note-issue currency is not to be restricted to a super-imposed "emergency currency," but to be extended so as to replace the present banknote currency, which is to be retired at the rate of 5 per cent., or \$35,000,000, annually. The limit of new notes outstanding is to be \$500,000,000, plus the amount of national banknotes thus converted. Five per cent. of the 15 per cent. required reserve of individual country banks in the system may be kept in the form of balances with a qualified bank in any reserve city. Individual banks will be allowed with certain restrictions, to accept drafts or bills of exchange, and the "regional reserve banks" will be allowed to buy and sell cable transfers. In various ways the power of the Federal Reserve Board of seven members, wherein the banks have no representation whatever, is broadened and strengthened. The amended bill makes other changes in phraseology which clothe the board with greater powers. By substituting the word "may" for "shall" the bill makes it optional with the organization committee to call meetings of bank Directors in the several districts pending the complete organization of Federal reserve banks. In Section 10 of the bill the powers to cancel the membership of a State bank is added. It is also inserted in the same section a special provision that State banks must comply with regulations of the Federal Reserve Board. In Section 11 of the original bill it was provided that the President, upon a statement of the reasons, could remove only the Governor of the Federal Reserve Board. The modified bill equips the President with power to remove any of the four members of the board, thus increasing the political power of any President over the Federal Reserve Board. The power to examine into the "affairs" of a Federal reserve bank is added to Section 12.

**LABOR UNIONS EXEMPT.**—President Wilson on Monday signed the Sundry Civil Appropriation bill containing the provision forbidding the use of any part of a specified appropriation for the prosecution of violations of the Sherman anti-trust law by combinations of farmers and labor unions. The President made the following explanatory statement: "I have signed this bill because I can do so without, in fact, limiting the opportunity or the power of the Department of Justice to prosecute violations of the law, by whomsoever committed. If I could have separated from the rest of the bill the item which authorized the expenditure by the Department of Justice of a special sum of \$300,000 for the prosecution of violations of the anti-trust law, I would have vetoed that item, because it places upon the expenditure a limitation which is, in my opinion, unjustifiable in character and principle. But I could not separate it. I do not understand that the limitation was intended as either an amendment or interpretation of the anti-trust law, but merely as an expression of the opinion of Congress—a very emphatic opinion, backed by an overwhelming majority of the House of Representatives and a large majority of the Senate, but not intended to touch anything but the expenditure of a single small additional fund. I can assure the country that this item will neither limit nor in any way embarrass the actions of the Department of Justice. Other appropriations supply the department with abundant funds to enforce the law. The law will be interpreted, in the determination of what the department should do, by independent, and I hope impartial, judgments as to the true and just meaning of substantive statutes of the United States."

**ERDMAN ACT AMENDMENT.**—The Senate on Thursday passed the Newlands bill amending the Erdman act so as to enlarge the Board of Arbitration for Railroad Labor Disputes from three to six, and also to provide for the appointment by the President of an official mediator, a permanent salaried officer independent of all Government bureaus.

**NO NATIONAL BUDGET.**—The Underwood proposal to establish a House Budget Committee to co-ordinate appropriations was defeated in the House Democratic caucus Wednesday afternoon by a vote of 85 to 80.

**AGAINST COMMERCE COURT.**—The House Democratic caucus voted in favor of the abolition of the Commerce Court.

**TO DISCOURAGE EMIGRATION.**—While committees of both houses of Congress are preparing to press immigration reforms at the next session, Speaker Clark is giving attention to the other side of the question. Emigration, the Speaker said in a statement is costing the United States millions of dollars a year in actual money, aside from the loss involved in giving up a real American to be replaced by a foreign immigrant. "It is high time," said Mr. Clark, "that more attention be paid to the influence of emigration on our future. These Americans who are leaving us understand our institutions, our ways and our aspirations, while most of the immigrants into this country have to be taught these things. In one week not long since 1,845 American farmers, with \$388,500 in cash, and \$145,000 in personal property, crossed into Western Canada to settle perma-



nently in British North America. That week was below the weekly average into that region alone. These emigrants are among our best citizens. The principal reason why they expatriate themselves is the lure of cheaper lands and less stringent land laws as to homesteading. Congress should make our homestead conditions as easy as possible, and should increase the area for home building by judicious encouragement of irrigation and drainage."

**NEW PASSENGER RATE LAW IN IOWA.**—The Western Passenger Association, which had hoped to maintain a minimum fare of two cents a mile in States where the law fixes two cents a mile as the maximum fare, will send a committee to Des Moines to consult Clifford Thorne and other members of the Iowa Railroad Commission regarding the new law providing a fare of 1½ cents a mile to and from county fairs and other gatherings where the attendance is 75,000 or more. The committee will explain why two cents a mile should be the minimum in Iowa, but expects that the commission will not see its way clear to do anything but enforce the law, in which event action will be begun in the courts to test its validity.

**ILLINOIS UTILITIES BILL.**—Gov. Dunne of Illinois has signed the Public Utilities Bill. Under its provisions any city can construct, acquire, and operate any public utility within its borders, use the product or service of utilities, or sell them to provide citizens or corporations. "Public utility" means and includes any plant, equipment, or property, and any franchise, license, or permit, used or to be used for or in connection with, the transportation of persons or property or messages or the production, storage, transmission, sales, delivery, or furnishing of cold, heat, light and power, the conveyance of oil and gas by pipe line, or the storage or warehousing of goods, or wharfing. Gov. Dunne says: "I consider the city ownership bill in many respects the most important bill passed by any American Legislature in several years. When abroad, in 1900, I found universally that with public ownership, cheap service and good service went hand in hand. It has been my ambition to have inscribed on my tombstone: 'He was Father of Municipal Ownership and Thirteen Children.'"

**PENNSYLVANIA UTILITIES LAW.**—The Pennsylvania Legislature has passed what is described to be the most drastic public utilities bill of any State in the East. Seven members of the commission to take office on July 1 next will supplant the present State Railroad Commission, which is legislated out of office, and they will regulate the service of every utility company that does business in Pennsylvania. The new administrative body is to be known as "the Public Service Commission of the Commonwealth of Pennsylvania." Its powers extend over the railroads, trolley, gas and electric light companies, stage lines, express companies, baggage transfer companies, pipe lines, ferry companies, turnpike, bridge and wharf corporations, telegraph, telephone, heat, water, refrigerator and sewage corporations and all persons engaged in the same kind of business for profit within the State.

**DIRECT TAX IN NEW YORK.**—Gov. Sulzer of New York has asked the Legislature to pass a bill calling for a direct tax of \$5,000,000.

**NEW YORK CONSOLIDATED EXCHANGES.**—The Board of Governors of the New York Stock Exchange, at their last meeting before the Summer recess, rescinded those sections of the constitution of the Exchange which forbade members to have any dealings with the Consolidated Stock Exchange. This action was taken to place the Stock Exchange in accord with the law passed by the Legislature early last month, which directed that no Exchanges in the State should discriminate in any way in business against the members of another Exchange. The law does not go into effect until Sept. 1.

**INDUSTRIAL COMMISSION.**—On Wednesday President Wilson sent his nominations for members of an Industrial Commission to the Senate for approval. The commission was suggested in 1912 by President Taft.

## FINANCIAL

**JULY DISBURSEMENTS.**—Total dividend and interest disbursements for July are estimated by Dow, Jones & Co. at \$266,000,000, compared with \$254,000,000 last year.

Capital Disbursement.

Dividends ..... \$4,755,120,000 \$97,007,457

Interest ..... 8,099,735,970 168,768,026

Grand total.....\$12,854,856,000 \$265,775,513

Disbursements thus far for 1913 aggregate \$1,101,000,000, made up as follows: July, \$266,000,000; June, \$104,000,000; May, \$113,000,000; April, \$171,000,000; March, \$113,000,000; February, \$86,000,000; January, \$245,000,000.

**LOSS IN LONDON SLUMP.**—The forthcoming number of the Bankers' Magazine, referring to the severe liquidation on the London Stock Exchange, says the total shrinkage for the month from May 20 to June 20 on 387 representative securities was \$88,234,000, (\$441,170,000.) The fall was not only the heaviest which has occurred in the last seven years, but the present valuation of the stocks selected establishes the lowest point touched.

**TENNESSEE LOAN.**—W. P. Hickerson, Treasurer of the State of Tennessee, last week began negotiations with banks and bond houses for the sale of \$11,458,000 short-term notes, the proceeds of which are to be applied to retiring issues of State bonds which mature on July 1 and Oct. 1. The Tennessee authorities recently attempted to sell twenty-year 4 per cent. bonds for the purpose, but were unable to obtain a satisfactory price.

**CANADIAN COMMERCE.**—Canada's imports and exports for May aggregated \$91,722,316, a gain of \$2,600,000 over May, 1912. Exports of agricultural products fell off. Imports increased \$3,000,000.

**STOCK EXCHANGE LISTINGS.**—The Exchange has admitted to the list the following securities: Mexican Petroleum Company, \$4,500,000 common stock, making the total amount authorized to be listed \$36,500,000; \$2,084,000 Milwaukee & Northern Railroad Company first mortgage 4½ per cent. bonds, due 1934, and \$4,684,000 Milwaukee & Northern Railroad Company consolidated mortgage 4½ per cent. bonds, due 1934; with authority

to add additional certificates for \$71,000 of first mortgage bonds and \$408,000 of consolidated mortgage bonds, making totals authorized for listing \$2,155,000 of first mortgage bonds, and \$5,062,000 of consolidated mortgage bonds.

**MEXICAN LOAN.**—J. P. Morgan & Co. and Kuhn, Loeb & Co. announce that the public issue of the Mexican 10-year 6 per cent. bonds in New York will take place on July 1. The total amount of the loan at present offered for public subscription is \$6,000,000, divided as follows: \$2,850,000 to be offered in France; \$1,450,000 to be offered in England, and \$1,700,000 to be offered in United States, Belgium, Holland and Switzerland. The bonds will be simultaneously offered for public subscription in the following cities: Amsterdam, Antwerp, Basel, Berlin, Brussels, Geneva, London, New York, Paris, and Zurich.

## RAILROADS

**ATLANTA, BIRMINGHAM & ATLANTIC.**—The \$4,700,000 5 per cent. receivers' certificates issued a year ago will mature on July 1, and no provision has been made to care for them. The road went into a receivership on Jan. 2, 1909, and the present certificates were sold to retire an issue of \$3,250,000 receivers' obligations, equipment trusts, and to provide improvements. A committee, consisting of Howard Bayne, George C. Clark, Jr., H. P. Clark, L. B. Franklin, and C. E. Steere, has been formed to get the co-operation of the certificate holders. It is expected that the certificates will draw 6 per cent. interest after maturity.

**BOSTON & ALBANY.**—The company has been authorized by the Public Service Commission to issue \$2,015,000 of its 25-year 5 per cent. improvement bonds of 1912, the proceeds to be used for improvements.

**BUFFALO & SUSQUEHANNA RAILROAD.**—Receiver Miller has been authorized by the New York Supreme Court to issue \$500,000 six months' certificates, dated June 1, to provide for the same amount of 5 per cent. certificates maturing on that day.

**CHESAPEAKE & OHIO RAILROAD.**—Announcement has been made that the 2-cent-fare rate will go into effect in West Virginia July 1, following the decision of the United States Supreme Court upholding the State law.

**CHICAGO & EASTERN ILLINOIS.**—Federal Judge Carpenter has granted permission to William J. Jackson and Edwin W. Winter, receivers, to borrow \$4,000,000 with which to meet interest due on the bonds of the road and to repair and improve its rolling stock. By far the largest part of the \$4,000,000 will go toward betterments. The receivers' certificates will be in amounts of \$1,000 and multiples thereof and will bear 6 per cent. interest. Interest will be paid semi-annually, the first payment on the new loans being made Feb. 1, 1914.

**DENVER & RIO GRANDE.**—The budget of the railroad for 1913, as completed by E. L. Brown, shows that the company will have expended \$5,000,000 for improvements and equipment by the end of the fiscal year. The biggest item of expense is for equipment, amounting to about \$2,500,000. Rails, tracks, and road bed come next, the amount being \$700,000. Permanent bridges will have cost \$300,000. For a new engine house at Grand Junction and coal chutes at Minturn, Malta, and Salda there will be paid out \$150,000. Shop tools will cost \$60,000 and machine ditchers \$40,000 more. For fencing and other miscellaneous items the expense will be about \$200,000.

**ILLINOIS CENTRAL.**—President Markham says that the June loading is the heaviest of any June in the company's history and relatively as heavy as that of May, which broke all May records in gross receipts and most other monthly records.

**INTERCOLONIAL RAILWAY.**—The Canadian Government will double track the road from Moncton, N. B., to Halifax to accommodate increasing traffic.

**KANSAS CITY, MEXICO & ORIENT.**—Before an order of foreclosure decreeing the sale of the road, asked for last week by creditors of the company, can be granted, bankruptcy proceedings of the International and Union Construction Companies, which built the road, must be settled, according to a ruling by Federal Judge Pollock in Kansas City, Kan. It is said the steps will be taken immediately.

**NEW YORK, NEW HAVEN & HARTFORD.**—Following is the company's report of fatalities since 1903:

	Passengers Carried.	Train		Passengers	
		Accidents	In Which	Killed	Passengers
			Passengers	In Train	Were Killed.
1903 (Last 6 m.)	34,000,448	0	0	0	0
1904	35,234,687	0	0	0	0
1905	60,507,138	0	0	0	0
1906	72,521,069	0	0	0	0
1907	75,453,778	0	0	0	0
1908	74,382,023	1	1	1	1
1909	79,849,297	0	0	0	0
1910	83,890,031	0	0	0	0
1911	83,768,348	2	12	12	12
1912	85,330,409	2	10	10	10
1913 (to June 15)	36,661,110	1	6	6	6
Total	755,678,238	6	29	29	29

**NEW YORK, NEW HAVEN & HARTFORD.**—George von L. Meyer, Chairman of the sub-committee of the stockholders' protective committee, after a conference between his committee of the company with Theodore N. Vall, who is acting with the committee by invitation of the directors, gave out the following statement: "I stated to the railroad committee that we had been appointed to confer with them to ascertain if we could have placed at our disposal all the information, facts, and figures desired, and Mr. Mellen, in behalf of the Executive Committee, stated that he would be pleased to place at our disposal the books and accounts of the company, and that he would give us without restriction every opportunity to gain information. "We shall report to

our full committee at a meeting on Monday next in Boston at 10 o'clock. Mr. Meyer stated in conclusion that the committee at present represented between 250,000 and 300,000 shares, or about 20 per cent. of the stock, and that a good many of the stockholders who have pledged their proxies with the committee were, like himself, small stockholders. Mr. Meyer said that so far the holdings of J. P. Morgan & Co. and the Pennsylvania Railroad had not been pledged with the committee.

**NORFOLK & WESTERN.**—W. L. Chambers, a lawyer of Washington, has been selected as third member and Chairman of a Board of Arbitration to settle wage differences between employees and company.

**RICHMOND, FREDERICKSBURG & POTOMAC.**—The stockholders have unanimously approved the contract made by the Directors with the State of Virginia, whereby the company pays Virginia back taxes and interest amounting to \$343,534, thus ending litigation of many years.

**ROCK ISLAND.**—The company has secured permission from the Commission of Missouri to issue \$4,100,000 5 per cent. equipment trust notes.

**SAN DIEGO & SOUTHEASTERN.**—The San Diego & Southeastern Railway Company has applied to the California Railroad Commission for authority to issue \$900,000 of bonds. The money is to be used for improving the road and purchasing equipment, to pay off current obligations, for a new depot site, and for a new shop and yard site in San Diego.

**ST. LOUIS, IRON MOUNTAIN & SOUTHERN.**—Another readjustment of Directors was made at Tuesday's meeting, at which six temporary Directors, who are residents of Arkansas, resigned, to be replaced by those members who withdrew during execution of the company's supplemental first and refunding mortgage, which provides for creation of sinking fund not contained in original mortgage. Those elected again to the board were Jay Gould, F. J. Shepard, James Speyer, J. G. Metcalf, E. L. Marston, and E. T. Jeffery. These latter recently resigned. In order to comply with Arkansas law, which provided that Directors of a corporation filing a new mortgage must be residents of the State. Supplemental mortgage filed in the interim was in connection with Iron Mountain's first and refunding mortgage dated July 1, 1912, to secure authorized issue of \$200,000,000 bonds, of which none has, as yet, been sold.

**ST. LOUIS & SAN FRANCISCO.**—Judge Sanborn has announced that he will sign an order directing the receivers of the Frisco system to pay: First, the payroll and other running expenses of the road; second, the interest of the 4 per cent. refunding bonds and receiver's note; third, interest on the underlying bonds; fourth, claims of shippers and similar obligations not exceeding \$200,000; fifth, "car trust certificates" as far as possible. To make these payments promptly, the court granted permission to the receivers to borrow \$750,000. This, together with the \$1,250,000 cash on hand, will enable them to meet the obligations due July 1, and it was stated that the surplus net earnings will enable them to pay off the temporary loan Aug. 15. One of the greatest troubles of the receivers, H. L. Hamilton, Treasurer for the receivers, told the court, is in collecting traffic balances from other roads.

**SOUTHERN PACIFIC.**—The Corporation Commission of Arizona has denied permission to the company to issue \$30,000,000 trust notes, on the ground that the company had not sufficiently explained the purpose.

**TOLEDO & INDIANA RAILROAD.**—Former Secretary D. D. Schenck has been elected President to succeed his father, the late S. C. Schenck. Louis R. Schenck of New York has been elected a Director of the company.

**UNION-SOUTHERN PACIFIC.**—The final plan for the dissolution of the Pacific merger under the Sherman law was completed Saturday, submitted to the President by Attorney General McReynolds, and received his approval.

It will be presented to-day to the United States District Court for the Eighth Circuit at St. Paul. Attorney General McReynolds will not go, but sent G. Carroll Todd, one of the special attorneys of the Department of Justice, to appear for the Government. By agreement between counsel the court will be asked to set a date a week or ten days hence, when the decree shall go into effect. The plan embraces the transfer by the Pennsylvania Railroad to the Union Pacific of Baltimore & Ohio stock for Southern Pacific stock. The Union Pacific will part with \$38,292,400 of Southern Pacific stock, now in the custody of the courts, and acquire \$42,000,000 of Baltimore & Ohio common and preferred stock. The Union Pacific will thus acquire 38 per cent. of the Baltimore & Ohio stock, and the Pennsylvania 14 per cent. of the Southern Pacific stock. The remaining \$88,357,600 of Southern Pacific stock owned by the Union Pacific is to be sold through the agency of a trust company, to be designated by the court, and under terms in the decree which shall make it absolutely impossible for the stock to be used for the organization of a merger control of the Southern Pacific and the Union Pacific or of any other railroad system. Against this stock will be issued certificates, with no voting power, to the shareholders of the Union Pacific. The plan provides for the sale of these certificates within a definite time. The plan finally adopted leaves for future determination in the courts the relations between the Southern and Central Pacific. The Attorney General intends to bring a civil suit under the anti-trust law to separate these two systems.

Judge Lovett appeared before the Lobby Committee of the Senate on Tuesday to testify on his recent statement charging blackmail in connection with the dissolution proceedings. He stated he had been called on the phone by a man representing himself to be Congressman Riordan of New York, who said employment of Edward Lauterbach as counsel would help the dissolution situation in Washington. Judge Lovett also said that Mr. Otto Kuhn of Kuhn, Loeb & Co. had been approached

(Continued on following page.)

## Decline of New York as Our Banking Centre

A Student of Economics Says That Other Financial Centres Are Developing at Its Expense in Other Parts of the Country

"During the last year much attention has been given to the dominant position of New York City in our banking system. The extent of the control exercised by New York has been and is so great that several important changes that are taking place have escaped general notice.

That the position of New York City as a banking centre has undergone a change in the last few years is shown by the facts that a smaller amount of cash is being withdrawn from there each Fall for crop-moving purposes; that a relatively smaller amount of cash is held by the New York banks than in former years; that New York holds relatively less of the reserve funds of the entire country than in the past; that the total banking resources of New York have been growing less rapidly than those of other parts of the country; and that strong banking centres are rapidly being developed in other sections. The rest of the United States is apparently becoming more and more independent of New York for cash and for the financing of relatively small enterprises. With the financing of large ventures and with the general question of extension of credit this paper does not deal.

That the Fall movement of cash out of New York is less than in former years is a fact which few people seem to have noticed. Probably very few indeed are aware that the net movement during the Fall months is now in the other direction. Several years ago this movement was carefully analyzed, for the years 1899-1908, inclusive, by Prof. E. W. Kemmerer in his report to the National Monetary Commission. He averaged the movement for this period and found a definite flow of money out from New York each Fall—a movement averaging \$3,434,000 in the thirty-eighth

week of the year, (the latter part of September,) when it was at its maximum. The maximum movement into New York he found to be \$6,895,000, and to occur in the latter part of January.

Since these statistics were prepared, an important change has occurred. An examination of this interior movement shows that a very pronounced change has taken place since 1907. Before that date the movement during the Fall months, August-December, inclusive, was out of the city. Prior to 1908 New York was the loser in every year except 1904, when her gain was slight; but even in that year there was a heavy net loss in September and October. The heaviest total loss appeared in 1907 because of the large withdrawals during the panic. With 1908 came a change. Since that time New York has gained rather than lost during the Fall months. In 1908 only September shows a loss, and in 1909 and 1910 only September and October; while for 1911 and 1912 every month shows a gain for New York. In 1911 the total gain for the period was \$103,890,000, and in 1912 it was \$67,711,000. In 1911 there were net losses in only three weeks—those of Sept. 9, Oct. 7, and Oct. 14. In 1912 there were likewise only three weeks of net loss—\$1,855,000 for Sept. 14, \$423,000 for Oct. 26, and \$837,000 for Nov. 30.

It may be urged that the dullness of business since the panic of 1907 is the explanation. But whatever may be said of other years, 1912 was a year of bumper crops, expanding business, and general prosperity; and in September of that year the gain for New York was the largest for any September during the years under review with the exception of 1911. In October, 1912, the gain was the heaviest for any October of the period. Evidently some other change has occurred. It is not true that the out-of-town banks are no longer sending their money to New York. In absolute amount, New York is gaining more than ever. Prior to 1908, every year except 1906 and 1907 shows a gain; but the beginning with 1908 and continuing through 1912 this gain has been much larger than before, reaching a maximum of \$325,158,000 in 1912. Prior to 1907, New York's great-

est gain was \$134,940,000 in 1904, but since that date the gain has never been less than \$213,591,000. It is clear that the out-of-town banks are sending their money to New York in larger absolute quantities than ever before.

### OUTSIDE BANKS LOAN IN NEW YORK

The reason for this movement of cash into New York is generally understood to be the offer of interest by the New York banks for out-of-town deposits. The legal requirements as to reserves must be met by outside banks, but cash held in their vaults is earning nothing. Since a part of the reserve may be transferred to approved agents in reserve cities where it will receive 2 per cent., the natural thing is for the out-of-town banks thus to deposit it. The change in the direction of the Fall movement seems to be explained by the increasing tendency on the part of these out-of-town banks to lend their money directly on the New York market. It is currently reported that high money rates in 1905 and 1906 led the banks to begin the practice. Their New York reserve agents hesitated to perform the service, but were forced into it by the trust companies, who offered to do it free of charge if the national banks would not.

The statistics prepared for the Congressional committee investigating the alleged "Money Trust" show an increase in the practice.

Nor have the total resources of the national banks of New York increased so rapidly as those in other parts of the country. This fact has been presented with great clearness and force by Prof. A. P. Andrew. It is evident that the banking strength of the South and West has been growing more rapidly than that of the East. It seems clear that the country is less dependent on New York for cash than in former years; that a relatively smaller amount of cash and of "Due from Reserve Agents" is held by the New York banks than in former years; and that the total banking resources of New York have grown less rapidly than those of other parts of the country.

\*From an article in the *Journal of Political Economy* by E. M. Patterson.

### RAILROADS—Continued

by Mr. Lauterbach, who said he thought he could stop a movement in Congress to obstruct their solution of the dissolution. On Thursday Mr. Lauterbach appeared before the committee as a voluntary witness and denied he had even suggested that he could be of service in the way mentioned by Judge Lovett. He said that the dissolution had been discussed by Mr. Kuhn and himself, but only in a general way, and he had not attempted to press his services upon them. David Lamar was mentioned in connection with the case, and Lauterbach was questioned at some length about him, as a result of which Lamar, on Saturday, announced that he would voluntarily appear before the committee.

### INDUSTRIALS, MISCELLANEOUS

**ALLIS CHALMERS COMPANY.**—The committee of which James N. Wallace is Chairman gives notice that voting trust certificates representing the preferred and common stock of the company are now ready for delivery on presentation and surrender of the certificates of deposit at the office of the Central Trust Company.

**AMERICAN CAN.**—Kissel, Kinnicut & Co. say that the syndicate which purchased the issue of \$14,000,000 American Can Company debenture 5 per cent. bonds and offered them recently at 97½ and interest has been dissolved, and that, owing to this, a number of bonds are being thrown on the market by underwriters, which has caused a decline in the price to a point where, in their opinion, the bonds are selling much below their real value.

**BARNEY & SMITH CAR COMPANY.**—Due to the heavy losses sustained by the company in the recent floods, it was placed in the hands of the receiver last Monday. An official announcement states that the company will continue operations as usual during the receivership.

**E. W. BLISS CO.**—The Government has asked for a preliminary injunction to restrain the company from revealing to the British Government the secrets of the torpedoes manufactured by that concern and used in our navy. Decision was reserved. The Government contended that if the court refused to grant the injunction the Bliss Company would be enabled to sell the torpedoes to foreign countries. The company has patents on the torpedoes it manufactures in its own name in Japan, France, and England, but owing to a stipulation in the company's contracts with the Government, which binds the concern to secrecy in regard to the operation of the torpedoes, none of them has been sold abroad. On May 9 the company notified Secretary of the Navy Daniels by letter that after June 1 it proposed to demonstrate the complete operation and construction of the Bliss-Leavitt torpedo to Whitehead & Co. of England. Under instructions from the Navy Department, transmitted by Attorney General McReynolds, Mr. Youngs was directed to begin an action to restrain the Bliss Company from doing what they proposed to do.

**CENTRAL FUEL COMPANY.**—The first mortgage 6 per cent. Convertible Bondholders' Committee gives notice that it has filed with the Bankers' Trust Company, under the bondholders' deposit agreement of

March 23, 1912, a plan of reorganization. Holders of certificates of deposit are given thirty days to dissent from the plan, and unless holders of 25 per cent. of outstanding certificates of deposit dissent within thirty days, the plan will be binding on all certificates issued under the agreement of March 23, 1912. Under the plan registered holders of certificates of deposit are permitted to purchase new mortgage bonds and new preferred stock to the extent and upon terms specified by subscribing on or before July 23, 1913, and paying as follows: Twenty per cent. of the purchase price on or before July 23, accompanying subscription; 40 per cent. thereof on or before Aug. 23, 1913, and the balance of 40 per cent. on or before Sept. 23, 1913. Transfer books for certificates of deposit will be closed July 7 and reopen July 23. Property of the company is to be sold under foreclosure of a mortgage securing \$5,351,800 first mortgage bonds, of which \$4,795,400 have been deposited under the bondholders' deposit agreement. First mortgage bondholders who have not done so are permitted to deposit bonds with coupons maturing July 15, 1912, with the Bankers' Trust Company not later than July 5, with payment of 5 per cent. of face amount of bonds.

**COLORADO FUEL & IRON.**—In accordance with the plan for readjustment of finances the \$15,000,000 debentures which matured Aug. 1, 1911, and have been held as security for the Colorado Industrial Company bonds, have been canceled and destroyed.

**FORD MOTOR COMPANY.**—James Cozzens, Secretary and Treasurer, refuses to confirm or deny the report that the concern has declared a \$10,000,000 cash dividend, payable next Monday, as does also President Ford.

**GREAT WESTERN CEREAL COMPANY.**—Stockholders will receive nothing in the winding up of its affairs, according to a report of Receivers James F. Fielder and William A. Tilden. The report states that receivers have sold all the real estate of the corporation and have in hand cash amounting to \$167,338 and unliquidated assets totaling \$14,312; against this, allowed claims of creditors amount to \$393,246.

**INTERNATIONAL AGRICULTURAL CORPORATION.**—At a meeting of the Board of Directors the regular semi-annual dividend of 3½ per cent. on the preferred stock was passed. The preferred stock went on a 3½ per cent. semi-annual basis in June, 1911, and has paid to date 14 per cent., or two full years' dividends.

**INTERNATIONAL HARVESTER COMPANY.**—Counsel McHugh for the International Harvester Company announced on Friday after the cross-examination of Controller Reay had been concluded, that the defendant would rest its case. The Government proceeded at once with rebuttal testimony, placing only one witness on the stand. The Government then rested its case.

**LAKE SUPERIOR CORPORATION.**—The corporation reports for May net earnings of \$270,338, an increase of \$104,367, and for the eleven months ended May 31 net earnings of \$2,108,934, an increase of \$914,377.

**MARCONI WIRELESS.**—At the annual meeting of the Marconi International Communication Company held in London Godfrey Isaacs stated that 686 ships are now equipped with their system. Receipts from ship

marconigrams and subsidies during last year exceeded \$500,000. A dividend of 10 per cent. was declared.

**REPUBLIC IRON AND STEEL.**—At a wage conference held in Youngstown between the company and Amalgamated Association it was agreed to present scale continuing in face of \$1.30 card rate when puddlers will get 20 cents per ton increase instead of 15 cents as heretofore.

**UNION IRON WORKS.**—A contract has been awarded to the Union Iron Works by the Associated Oil Company for the construction of the largest oil-tank steamer flying the American flag. The vessel will have a capacity of 62,000 barrels of oil in bulk, will cost about \$1,000,000, and is to be completed within thirteen months. The steamer will be the tenth of the Associated Company's fleet.

**UNITED SHOE MACHINERY COMPANY.**—Rebating was charged against the company at the resumption of the dissolution proceedings in the United States district court.

**WATERS-PIERCE OIL COMPANY.**—H. Clay Pierce in an interview in London asserted that a bond still exists between the Waters-Pierce and Standard Oil Companies despite the reports that his concern had enlisted the financial aid of the Rothschilds to the amount of \$10,000,000 for the purpose of fighting the Rockefeller interests. He said that no such combination as was rumored had ever even been thought of, and that among the oil interests "everything is harmonious, and likely to remain so. The Waters-Pierce people have no desire to oppose Standard Oil anywhere. We hope to continue as good friends as we always have been. Concerning the California fields, I have nothing to say. I believe the unsettled conditions which have existed in the American market will soon be entirely dissipated. President Wilson is making a great success, and is restoring the confidence of all men of affairs. We much prefer an Administration that gives an emphatic 'No' or 'Yes,' even when against us, rather than to have a qualified answer to every question submitted, as had been the case in the previous four years."

**WESTINGHOUSE MACHINE CO.**—The Westinghouse Machine Company reports for the fiscal year ended March 31:

	1913.	Increase.
Shipments, bills.....	\$3,840,972	\$400,182
Net mfg. profit after depn .....	439,020	275,607
Other income.....	123,578	429
<b>Total .....</b>	<b>\$563,247</b>	<b>\$276,098</b>
Deductions .....	63,217	*13,000
<b>Net earnings.....</b>	<b>\$500,030</b>	<b>\$310,135</b>
Interest charges....	418,338	*60,536
<b>Balance.....</b>	<b>\$81,692</b>	<b>\$379,780</b>
Less charges.....	42,729	*5,720,240
<b>Net addition to surplus.....</b>	<b>\$38,963</b>	<b>\$0,109,050</b>
*Decrease.		

**F. W. WOOLWORTH COMPANY.**—An officer and Director of the company says: "The idea that the company is in need of new financing is absolutely too ridiculous to discuss, as we have not the slightest need for any money inasmuch as we are now carrying extremely heavy bank balances and owe no bills."



## Dividends Declared, Awaiting Payment

(Continued from Page 745.)

(Continued from Page 735.)				INDUSTRIAL & MISCELLANEOUS				Del. L. & W.				Nova Scotia St.			
Company.	Divi- dend.	Pay- able.	Books Close.	Company.	Divi- dend.	Pay- able.	Books Close.	Company.	Divi- dend.	Pay- able.	Books Close.	Company.	Divi- dend.	Pay- able.	Books Close.
Acollan-Weber	P. & P. pf. 1%	Q June 30	June 25	Am. Ag. Chem. 1%	Q July 15	June 23		Detroit Edison 1%	Q July 15	July 1		Coal & Coal pf. 1%	Q July 15	June 30	
Am. Ag. Chem. 1%	Q July 15	June 23		Am. Bank Note	Q July 1	June 14		Distilling Co. of	Q July 15	July 1		Ogilvie P. Mills 1%	Q July 15	June 30	
Am. Bank Note	Q July 1	June 14		Am. Beet S. pf. 1%	Q July 1	June 14		Domin. Cann. 1%	Q July 2	June 15		Old. Dom. S. S. 1%	Q July 15	June 30	
Am. Beet S. pf. 1%	Q July 1	June 14		Am. Brake Shoe	Q June 30	June 20		Domin. Can. pf. 1%	Q July 1	June 20		Oscoda C. M. H. 1%	Q July 31	July 3	
Am. Brake Shoe	Q June 30	June 20		Am. Fdy. pf. 1%	Q June 30	June 20		Dom. Iron & St. 1%	Q July 1	June 20		Ottawa L. H. 1%	Q July 1	June 20	
Am. Fdy. pf. 1%	Q June 30	June 20		Am. Can. pf. 1%	Q July 1	June 17		Dom. Power & Transm. pf. 1%	Q July 15	June 14		Ottawa L. H. & P. pf. 1%	Q July 1	June 20	
Am. Can. pf. 1%	Q July 1	June 17		Am. Car. & F. pf. 1%	Q July 1	June 11		Dominion Steel	Q July 1	June 20		Otis Elevator 1%	Q July 15	June 30	
Am. Car. & F. pf. 1%	Q July 1	June 11		Am. Chicle 1%	Q July 21	July 15		Dom. Textile 1%	Q July 15	June 30		Otis Elev. pf. 1%	Q July 15	June 30	
Am. Chicle 1%	Q July 21	July 15		Am. Chicle pf. 1%	Q July 1	June 26		Duluth Ed. B. pf. 1%	Q July 1	June 20		Penmans Ltd. pf. 1%	Q Aug. 1	July 1	
Am. Chicle pf. 1%	Q July 1	June 26		Am. Clear B. 1%	Q July 1	June 16		Du Pont Int. P.	Q July 1	*June 20		Penn. Cent. L. 1%	Q July 1	June 16	
Am. Clear B. 1%	Q July 1	June 16		Am. Coal Prod. 1%	Q July 15	June 21		De N. P. pf. 1%	Q July 25	July 15		Penn. F. pf. 1%	Q July 15	June 30	
Am. Coal Prod. 1%	Q July 15	June 21		Am. Coal P. pf. 1%	Q July 15	June 21		East. L. & Fuel 2%	Q July 1	June 19		Penn. M. & Co. 1%	Q July 15	June 30	
Am. Coal P. pf. 1%	Q July 15	June 21		Am. Exp. pf. 1%	Q July 1	*May 31		East. Mich. Ed. 1%	Q July 15	June 30		Penn. Salt Mfg. 3%	Q July 15	June 30	
Am. Exp. pf. 1%	Q July 1	*May 31		Am. G. & E. pf. 1%	Q Aug. 1	July 19		Elec. L. & P. 1%	Q July 1	June 30		Pettit-M. & Co. 1%	Q July 1	June 30	
Am. G. & E. pf. 1%	Q Aug. 1	July 19		Am. Iron & St. 1%	Q July 1	*June 20		El. Storage Bat.	Q July 1	June 21		1st and 2d pf. 1%	Q July 1	*June 17	
Am. Iron & St. 1%	Q July 1	*June 20		Am. L. France	Q July 1	*June 21		East. Kodak 1%	Q July 1	June 21		Pitts. Coal pf. 1%	Q July 25	July 15	
Am. L. France	Q July 1	*June 21		Am. Loco. pf. 1%	Q July 21	July 7		East. Kodak pf. 1%	Q July 1	May 31		Pitts. P. Glass 1%	Q July 1	June 16	
Am. Loco. pf. 1%	Q July 21	July 7		Am. Mfg. pf. 1%	Q July 1	June 16		Elec. Sec. pf. 1%	Q Aug. 1	July 28		Proc. & Gamble 4%	Q Aug. 15	*July 25	
Am. Mfg. pf. 1%	Q July 1	June 16		Am. Piano pf. 1%	Q July 1	June 20		Elec. Utilities 1%	Q July 15	*July 7		Proc. & Gamble 4%	Q Aug. 15	*July 25	
Am. Piano pf. 1%	Q July 1	June 20		Am. P. & Conl 1%	Q July 1	June 14		Elec. Util. pf. 1%	Q July 15	*July 7		Producers Oil 1%	Q July 15	*June 30	
Am. P. & Conl 1%	Q July 1	June 14		Am. Pub. Util. 1%	Q July 1	June 20		El. Paso El. pf. 1%	Q Aug. 1	July 15		Pub. Sec. of N. 1%	Q June 30	June 14	
Am. Pub. Util. 1%	Q July 1	June 20		Am. Radiator	Q July 1	June 20		Galena Sig. Oil 3%	Q June 30	May 31		Pub. Serv. Nor. 1%	Q July 1	*June 30	
Am. Radiator	Q July 1	June 20		Am. Sec. pf. 1%	Q June 30	June 23		Galena Sig. Oil 3%	Q June 30	May 31		Pub. Serv. Nor. 1%	Q July 1	*June 30	
Am. Sec. pf. 1%	Q June 30	June 23		Am. Sec. Mech. 1%	Q June 30	June 23		Galena S. O. pf. 2%	Q June 30	May 31		Ill. pf. 1%	Q Aug. 1	*July 1	
Am. Sec. Mech. 1%	Q June 30	June 23		Am. Ship. B. 1%	Q July 15	June 30		Gen. Chem. of	Q July 1	June 23		Quaker Oats 1%	Q July 15	*July 30	
Am. Ship. B. 1%	Q July 15	June 30		Am. Sugar Ref.	Q July 15	June 30		Gen. Chem. pf. 1%	Q July 1	June 23		Quaker O. pf. 1%	Q Aug. 30	*Aug. 30	
Am. Sugar Ref.	Q July 15	June 30		Am. Smelt. Sec.	Q July 1	June 20		Gen. Electric 2%	Q July 15	*May 31		Ray Con. Corp. 3%	Q June 30	June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Gas & El. 1%	Q July 1	June 20		Realty Asso. 1%	Q July 15	July 15	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Rem. Type. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Rem. Type. 2d	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Reynolds (R. J.) 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		R. J. Perkins 1%	Q July 15	July 15	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Royal Bk. P. 3%	Q June 30	June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Royal B. P. pf. 1%	Q June 30	June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Safety Car H. 2%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Securities Co. 2%	Q July 15	June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Shawenawan W. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Sloss-Sheffield 1%	Q July 19	July 19	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20		Steel & L. pf. 1%	Q July 1	*June 30	
Am. Smelt. Sec.	Q July 1	June 20		Am. Smelt. Sec.	Q July 1	June 20		Gen. Fireproof 1%	Q July 1	June 20					

# Mining

## When Mining Is a Legitimate Business

The First of Two Articles by an Insider Who Wishes to Reform the American Methods of Promotion

By E. N. BREITUNG.

I.

In the popular mind mining has come to be regarded as a great gamble. The oft-quoted saying of Mark Twain's, that a mine is a hole in the ground owned by a liar, is always greeted with a laugh, and too often with the grim recognition of sad experience. That the losses sustained in mining are exaggerated I not only believe but am prepared to prove; yet no one denies that investors have suffered sorely through the purchase of worthless mining stocks.

The reasons for great losses are not inherent in the nature of things. I am firmly convinced that they can be and will soon be improved, and I hope to be instrumental in bringing about conditions which will make for safety in mining investments. The causes of unprofitable mining investments have not as yet been clearly set before the public. I propose in these articles mainly to analyze these causes and propose constructive remedies of a thoroughgoing nature, partly along lines never before made public.

It is foolish to assume that mining stocks are incapable of being placed on a sound basis. With the negligible exception of fishing and hunting, all wealth is derived from agriculture and mining. When we consider what vast quantities of securities are eagerly absorbed by the public that are innocent of any physical value and have only goodwill, doubtful trade marks, or selling ability behind them, we must be truly impressed with the fundamental worth that underlies the shares of mines.

### ADVANTAGES OF THE MINER

No changes of process, inventions, patent laws, or anti-trust laws can destroy the value of the gold in South African or South American fields, or in the Black Hills of Dakota. The same is true of the copper in Montana, Michigan, Utah, and Arizona. Read the report of the Bureau of Corporations on the United States Steel Corporation. It is not the manufacturing processes which the bureau devotes its energies to. Iron ore—that is the secret of the Steel Corporation, and around that possession the battle rages, for there is the real indispensable commodity without which the great combination would be shorn of its power.

Manufacturing processes become obsolete overnight because of new discoveries and inventions. Even in transportation, plants soon become worthless because of new methods. Not so many decades ago the securities of toll roads, canals, and ferry companies were regarded as gilt edged. Who today cares to own them? But what can affect the intrinsic basis value of minerals? What can destroy the value of the anthracite coal lands of Pennsylvania or the iron ranges of the upper peninsula of Michigan, Minnesota, and Wisconsin? Nor does mining suffer from that bugbear from which so-called industrial business shrinks in dread—intense competition. In these days when public policy is grimly set against monopoly the owner of a mine containing real ore is more free from harassments than nearly any other business man.

It is almost a platitude to state that mineral production in this country amounts to \$2,000,000,000 a year. And yet this is not far below the gross earnings of the railroads of the country. Is it not clear that mining, which is one of the largest of our industries, also is inherently one of the safest and most conservative upon which to base investment securities? From an investment viewpoint mining is now altogether too much like a nugget of gold incrusting with dirt and rubbish. To the uninitiated the shell is most conspicuous. To clear away the hangers-on, the cheap fry, and the swindlers—that is the pressing necessity. To aid in bringing about that result is the aim of these articles.

Primarily the need of the mining industry is the elimination of the dishonest promoter, the liar who has not even a hole in the ground to sell, but only a dream. Upon this subject most men are agreed, but I propose to do more than merely indulge in the pleasant and eloquent but useless pastime of denouncing the dishonest promoter. I propose to take the initiative in bringing about laws to curtail his activity, and, what is more, my firm is now practicing what I preach, in that it incorpo-

rates in one of its new promotions the principle of my proposed legislation.

It has been easy for dishonest or overoptimistic promoters to sell worthless mining stock because of the looseness of American laws governing such matters. The ordinary American method of organizing a mining company has simply invited failure and loss. To begin with, mining stock can be sold to the public without any mine at all. But even if there is a mine, which is not the case in very many propositions, the promoters usually appropriate to themselves personally so much stock that an insufficient amount is left for working capital. Shares are sold so far below the par value and such huge commissions are deducted that there is nothing left to spend on the property, even if there were the disposition to spend it honestly and judiciously. In the majority of cases the company finds itself bereft of funds, development work ceases, and the whole scheme becomes dormant.

The remedy for this condition is the passage of laws as stringent as those in England, which provide for full publicity and a very careful examination into every detail of a mining enterprise before a charter is granted at all. I propose to have submitted to the Legislatures of the different States laws similar to those in force in England—laws which will make it practically impossible for fraudulent mining schemes to exist. In England and other European countries the laws governing the organization of mining companies require the most minute description of the properties, a detailed statement of how properties were acquired, amount of stock to be issued, profit to promoters, and, in fact, everything from conception to exploitation. Investors are thus enabled to know exactly what they are putting their money into.

### THE ENGLISH LAW

There are so many provisions in the English law that it would only be confusing to repeat them all in detail here. But it is of the utmost importance to call attention to the essential features of that law wherein it differs from the American statutes and wherein it has a direct bearing upon the question at issue. The practice of issuing stock for property or services and the abuse which this practice gives rise to in this country are well known. In England the law has provided since 1867 that all contracts whereby stock is issued for property or services must be publicly registered, under the penalty of the payment being void. These contracts must be filed with the Register of joint stock companies at or before the time of issue. If every American mining corporation were obliged to publish before or at the time of stock issue, copies of all the contracts showing the purposes of issue, the public would be in possession of essential information which it now lacks. Of vital importance is the fact that this law compels the publication of the amount of stock issued to promoters.

Another important respect in which the English statute differs from those of the many American States is that it provides (Section 38 of the Companies act, 1867) that: "Every prospectus of a company, and every notice inviting persons to subscribe for shares in a joint stock company, shall specify the dates and names of the parties to any contract entered into by the company, or the promoters, Directors, or Trustees thereof, before the issue of such prospectus or notice, whether subject to adoption by the Directors of such company, or otherwise." All prospectuses which do not come up to this provision are considered fraudulent, and the British investing public knows it. British companies also must file statements showing the exact amount of securities to be issued, the amount of capital with which it is expected to start business, the amount to be paid in on each share, the names of the vendors of any property to be bought by the company, and how paid for. Good-will acquired must be so labeled, and how much paid for it. Underwriters' expenses, as well as promoters' profits, must be stated, and full particulars must be given of the interest of every Director in property acquired by the company from or through him, and any sum paid him to become a Director.

### BEFORE THE SWINDLE

Now, it requires no demonstration to show that if every mining promotion in this country had to pass through such rigid fire a very large percentage would fall by the wayside at the start. For that matter, a similar law would prevent many swindles in other lines of business, and the Post Office Inspectors would have less work to do in arresting offensive promoters, after the public had been thoroughly fleeced. In practically every case where the public has been swindled, later developments have shown that nearly all the proceeds of stock sales have gone to the promoters or to the so-called "fiscal agency" which was selling the stock. The English law, of course, does not forbid this practice, but it lays the figures open to public view, and any investor who buys a stock, 80 per cent. of the

proceeds of which goes to the "fiscal agency," as in a recent famous case, has only himself to blame.

In this country the lawmakers have only just begun to make provision for the protection of investors. There are at this writing twelve States with so-called "blue sky" laws, and in about fifteen other States the Legislatures are either considering such laws or the bills which have passed the Legislatures are awaiting the signatures of Governors. Practically all this activity is of very recent origin, generally within a year. I propose to go still further. The "blue sky" law, as is well known, gives to a State official, or board, the power to say whether securities should be issued or not. It does not provide for all the publicity features of the English law. Moreover, the blue sky laws generally have only to do with the sale of securities after the company is once formed, and really affect the dealer in securities or investment banker rather than the original promoters. Often they needlessly hamper the honest investment banker. This is a very different thing from the English law, which kills fraud at the source, because it prevents wrongful promotion.

### The Metal Markets

NEW YORK.—The fact that copper is apparently in a sound position statistically, had no effect on the market and the dullness, which has prevailed for some weeks was still in evidence; the prospects of a favorable June report, (it is estimated that the stocks will show a decrease of from 4,000,000 to 10,000,000 pounds,) did not bring consumers into the market. The price remains stationary at 15 cents for electrolytic. Ex-Senator W. A. Clark, of the United Verde Copper Company, said of the copper situation: "The fall in price of copper has naturally been viewed with some apprehension. I think it portends little of evil so far as the future is concerned. Amount of marketable copper on hand in the world today is less than a month's supply; therefore the market is bound to recover and I believe at no distant date. The demand for copper, beyond question, is on the increase." He says that he looks for the last half of the year to show a large increase in production over the first half and further that the consumption will be fully equal to the production. "Politicians may try to upset business conditions," he says, "but the fact stares us fairly and squarely in the face that the country was probably never in better condition than it is at present and it is going to continue that way. Any attempt to disrupt business conditions will be unsuccessful." Messrs. R. Katz & Co. of London, wrote on June 13: "Allowing for the extra day, production in May remained about unchanged. United States consumption is put down at an exceptionally heavy figure. On balance progress is again made with the stock reduction. Notwithstanding these favorable statistics, Standard dropped to \$65 25 6d for cash and three months in unison with the general depression rallying to-day to \$66 15 3d and \$66 5s as surroundings became better, and finishing \$65 17s 6d and \$66. It is feared that trade shrinkage will gradually modify the excellent statistical position of the metal by causing consumption to fall behind supplies. So far the market is upheld by the firmness of producers, but considering the prevailing distrust of the future, users of copper will probably resort once more to a hand to mouth policy."

Daily exports of copper in tons of 2,240 pounds.  
To-day's Custom House returns..... 1,483  
Previously reported..... 23,858  
Total so far this month..... 25,341

### Mines and Companies

AMERICAN ZINC, LEAD AND SMELTING COMPANY has passed the usual quarterly dividend of 50 cents per share. Directors have issued the following statement: "In view of the present business situation, of the low price of spelter, and the low price of ore, the Directors have decided not to take any action at this meeting in relation to the dividend which is usually declared at the June meeting." Fred H. Goff and Ben P. Bole of Cleveland, Ohio, were elected Directors, in place of Albert F. Holden, deceased, and Sidney E. Farwell, resigned.

BOSTON AND CORBIN.—Deposits of stock under the reorganization plan finally amounted to 89,250 shares, so that the underwriters will be called upon to take but a little more than 10,000 shares of the new stock. All the bonds are accounted for except Nos. 3 and 4 for \$500 each. All the debts of the company—amounting to about \$40,000—have been paid with the exception of about \$6,000, which is in dispute.

BRADEN COPPER.—At the annual stockholders' meeting of the Braden Copper Mines Company President Sewell submitted a report from Consulting Engineer Yeatman, who has just returned from a visit to the property. The important features of the report are, first, that the company will be treating 3,000 tons of ore daily by Autumn; second, that the cost of production will be less than the original estimate of 7½ cents a pound; and third, that the ore tonnage has increased over 40,000,000 tons, with a probability of 60,000,000 tons in the future.

BUTTE AND SUPERIOR.—Butte and Superior reports a production of 2,033,231 pounds of zinc in concentrates for the second ten days of June, from the treatment of 5,743 tons of ore. This is at the rate of about 7,000,000 pounds of zinc per month. An average of 574 dry tons of ore was treated and 203,323 pounds of zinc produced per day. Recoveries for the period averaged 92.05 per cent. of the metal values, and concentrates assayed 48.83 per cent. zinc.

COBALT.—La Rose set a new record last Tuesday, when it shipped to the smelter a single car containing 151,658 ounces of silver, worth about \$85,000. The pre-



vicious record for a single shipment was a carload containing 103,552 ounces of about \$61,000 value.

**CHAMPION COPPER COMPANY.**—Has declared a dividend of \$1 per share, the fifth this year. The company's dividend record follows:

Year	Dividend	Year	Dividend
1913	\$5.00	1907	\$10.00
1912	11.00	1906	12.00
1911	5.00	1905	10.00
1910	9.00	1904	2.00
1909	8.00	1903	3.00
1908	5.00		

\*Including present declaration.

**GIROUX COPPER.**—The consolidation of the Giroux, Coppermines, Butte and Ely, and Chairman group of mines in the Ely district will result in putting 2,340 acres of mineralized ground under one ownership. The Giroux Company stockholders will secure 75 per cent. of the new stock, while Coppermines stockholders will receive but 10 per cent., Butte and Ely 5 per cent., and Chairman 4 per cent.

**GRANBY CONSOLIDATED.**—May production was 1,782,570 pounds against 1,967,962 pounds in March, the largest in 1913. Gold yield in May was 3,936 ounces against 3,696 ounces in the preceding month; silver output was 25,796 ounces, comparing with 26,463 ounces in April.

We compare five months copper production for three years as follows, (pounds):

	1913.	1912.	1911.
January	1,792,245	1,607,558	1,758,518
February	1,779,212	1,775,496	1,663,300
March	1,967,962	1,882,973	1,968,341
April	1,857,452	1,941,797	1,625,840
May	1,782,570	1,914,400	1,238,328
Five months	9,179,441	9,120,284	8,474,327

**INSPIRATION.**—The company has announced its intention of erecting a 600-ton mill to test the flotation process of extracting sulphide ores. The machinery for the mill has already been ordered, and it will be built at a point just west of the main concentrator site. Chief Engineer H. Kenyon Burch says that the machinery to be used in equipping the test mill has been so selected that it can be used in the main mill in the event of the flotation process not being used by the company. Building of the test mill will occupy six months, but construction of the Inspiration concentrator will not be retarded as a result of this alteration of the original programme, as the test plant will have been finished and sufficient time elapsed for all tests necessary before that portion of the main mill's equipment shall be needed. Work on the main haulage drift of the Inspiration between the Live Oak ore body and the main east and west shafts will be discontinued probably until September, the new Keystone not yet having filed its answer to the suit instituted by the Inspiration invoking the right of eminent domain.

**MIAMI.**—Vice President and Consulting Engineer J. Parke Channing of Miami Copper Company reports recent mining to have revealed no serious damage to the pillars of the mine resulting from the cave-in of April 17. During the first ten days of June 26,473 tons of ore were delivered to the mill, but during the following seven days the mine's output averaged 3,119 tons per day. Because much of the Miami ores near the surface and in the stockpiles contain considerable oxides and other mineral values that would not be saved by the flotation process, the Miami management has decided not to alter in any radical manner any portion of its concentrator until the flotation, leaching and other methods now being tested shall have been thoroughly tried out.

**NEW KEYSTONE COPPER COMPANY.**—Balance sheet of Dec. 31, 1912, shows:

ASSETS.		
Mining and other properties		\$1,438,835.65
Buildings and equipment:		
Buildings	\$11,607.82	
Drills, tools, &c.	2,634.54	
Teaming equipment	1,078.10	
		15,320.46
Development expend. to date	\$220,986.35	
Less rentals received	5,572.10	
		215,414.25
Gen. and admin. ex. to date	\$37,123.37	
Less interest	12,765.32	
		24,358.05
Loan secured by 505,732 lbs. cop.		75,000.00
Cash: New York	\$21,270.32	
At mine office	1,524.83	
		22,795.15
Miscellaneous supplies	2,208.69	
Sundry debtors	8.09	
Treasury stock, 3 shares	15.00	
		\$1,793,955.46

LIABILITIES.		
Capital stock:		
Authorized 600,000 shares at \$500.		
Issued, 358,174 shares at \$5.00		\$1,790,870.00
Sundry liabilities:		
Legal services	\$750.000	
Due for supplies	1,928.61	
Payroll, &c.	467.45	
		3,085.46
		\$1,793,955.46

**SOUTH UTAH MINES AND SMELTERS** production has been as follows:

	Copper.	Silver.	Gold.
	Pounds.	Ounces.	Ounces.
March	62,224	403	12½
April	132,267	680	18
May	201,896	1,100	31½

**TONOPAH.**—Production of the camp for May was as follows:

	Tons.
Tonopah Mining Company	14,954
Tonopah Belmont Company	15,560
Montana-Tonopah Company	4,311
Tonopah Extension Company	5,008

West End Con. Company	4,236
MacNamara Company	2,516
Jim Butler Company	1,867
Midway Company	200
North Star Company	675
Merger	442
Total	49,790
Total gross value, \$989,740.	

**UTAH COPPER COMPANY.**—Under the sinking fund provision of the mortgage of Bingham & Garfield Railroad, Utah Copper Company's subsidiary, there have been retired at 110, \$350,000 bonds of the issue of \$2,500,000. The bonds carry 6 per cent. interest, and are convertible into Utah Copper Company stock at \$50 per share, conversion privilege expiring on July 1, 1914. The sinking fund provision became operative on Jan. 1, 1913.

## Mining Stocks

Transactions and the range of prices for mining stocks on the various markets last week were as follows:

Stock.	Market.	Sales.	High.	Low.	Last.
Adventure	Boston	115	1¼	1¼	1¼
*Ahmeek	Boston	35	2.90	2.75	2.75
Alaska Gold Mines	Boston	9,204	11¼	9½	11¼
Algoma	Boston	300	1.13-16	1¼	1¼
Alta Con.	Salt Lake City	17,400	22	20	20
Alouez	Boston	185	30½	30	30
Amal. Copper	Boston	6,218	65½	62½	65½
Amalgamated Cop.	Phila.	100	63½	63½	63½
Am. Smelters	Philadelphia	300	62½	61	61
Am. Zinc & Smelt.	Boston	8,035	19¼	16	17½
Anaconda	Boston	25	32½	32½	32½
Anaconda	Philadelphia	20	33	32½	33
Arizona Commercial	Boston	365	3	2½	2½
Bailey	Toronto Mine	12,550	60½	58½	58½
Beaver	Toronto	500	32½	32½	32½
Beaver C. M.	Toronto Mine	6,500	31	32½	32½
Beck Tunnel	Salt Lake City	5,000	67½	67½	67½
Bingham Mines	Boston Curb	10	2½	2½	2½
Big Dome	Toronto Mine	20	14.50	14.50	14.50
Bohemian Mining	Boston Curb	115	1¼	1¼	1¼
Black Jack	Salt Lake City	1,600	10	60½	10
Boston and Curb	Boston	675	55	40	50
Boston Ely M.	Boston Curb	600	55	47	55
Butte Cent. Cop.	Boston Curb	6,050	17	15	15
Butte & Lond.	Boston Curb	225	1¼	1.10-16	1.11-16
Butte & Superior	Boston Curb	1,550	30	24	24
Cactus Copper	Boston Curb	3,632	22½	20	20
Calaveras Cop.	Boston Curb	4,000	64	62½	63
Calumet & Hecla	Boston	4,500	24	21½	24
Calumet & Arizona	Boston	2,542	60½	59	60
Calumet & Hecla	Boston	32	412	405	410
Can. Goldfield	Toronto	47,000	64½	64½	64½
Centennial	Boston	100	10½	10	10
Cedar Talisman	Salt Lake C.	500	1¼	1¼	1¼
Chambers Ferland	Toronto M.	8,000	21	20	21
Chief Cons.	Boston Curb	1,035	17-16	15-16	1¾
Chino	Boston	334	34½	31	34
City of Cobalt	Toronto	406	50	50	50
Cobalt Lake	Toronto Mine	500	67	67	67
Cochrane	Toronto Mine	200	1.30	1.30	1.30
Colorado	Salt Lake City	2,700	14½	14	14
Columbus Ext.	Salt Lake City	100	62½	62½	62½
Conigas M.	Toronto Mine	20	7.35	7.35	7.35
Conigas M.	Toronto	480	7.35	7.15	7.35
Copper Range	Boston	197	39½	39	39
Cons. Smelters	Toronto	15	79.00	79.00	79.00
Cons. Smelters	Toronto Mine	5	80.00	80.00	80.00
Corbin Copper	Boston Curb	1,100	1¼	80	1.00
Crown Charter	Toronto Mine	4,500	60½	60½	60½
*Crown Reserve	Montreal	10,050	3.52	3.40	3.45
*Crown Reserve	Toronto	975	3.55	3.47½	3.55
*Crown Reserve	Toronto Mine	1,100	3.54	3.50	3.50
*Crown Reserve	Boston Curb	159	3¼	3.9-16-3-16	1¾
Davis-Daly	Boston Curb	635	1¼	1.13-16	1¼
Dome Ext.	Toronto Mine	7,100	69½	69	69½
Dome Lake	Toronto Mine	10,250	1.25	70	70
Dome Lake	Toronto	100	1.05	1.05	1.05
Dome Mines	Toronto	300	1.17½	1.13½	1.14½
East Butte	Boston Curb	550	80½	75½	75½
Ely Cons.	Boston Curb	2,200	8½	7½	7½
Ely Witch	Boston Curb	1,000	4½	3½	4½
First Nat. Cop.	Boston Curb	950	1½	1½	1½
Foley O'Brien	Toronto Mine	2,500	26½	25½	26½
Franklin	Boston	450	5½	5½	5½
Giroux Consol.	Boston	3,665	1¾	1.17-16	1½
Gold Chain	Salt Lake City	600	30½	29½	30½
Gifford	Toronto Mine	500	4½	4½	4½
Goldfield Cons.	Boston Curb	440	1½	1½	1½
Gould	Toronto Mine	28,500	3½	3½	3½
Granby	Boston	375	54½	53½	54
Gt. Northern	Toronto Mine	7,700	16½	16	16
Gt. Northern	Toronto	1,500	16½	16	16½
Greene-Canaan	Boston	876	6½	5.15-16	6
Hancock	Boston	300	15¼	14½	14½
Helvetia	Boston	135	30½	25½	30½
Hedley Gold	Boston	20	32	30	32
Hollinger	Boston Curb	70	2	2	2
Hollinger	Toronto	405	17.00	16.00	17.00
Hollinger	Toronto Mine	1,650	17.00	16.00	17.00
Houghton Cop.	Boston Curb	60	2	2	2
Indiana	Boston	2,171	5½	3½	3½
Iron Blossom	Salt Lake City	3,650	1.30	1.25	1.25
Iron Cap pf.	Boston Curb	86	4	3	4
Island Cr. Coal	Boston	69	50	47½	48½
*Island Cr. Coal pf.	Boston	177	82½	80	80
Isle Smelt.	Toronto Mine	2,500	61	58	58
Isle Royale Cop.	Boston	620	19	18	18½
Jupiter	Toronto Mine	16,500	41	36	39
Jupiter	Toronto	4,750	40½	39	39
Kerr Lake	Toronto	700	3.20	3.20	3.20
Kerr Lake	Boston	240	3¼	3.1-16	3¼
Kerr Lake	Toronto M.	500	3.20	3.20	3.20
Lake Copper	Boston	1,532	7	6	7
La Rose	Toronto	1,325	2.45	2.28	2.45
La Rose	Toronto Mine	400	2.42	2.40	2.42
*La Rose	Boston Curb	875	2½	2.1-13	2½
La Salle	Boston	100	3½	3½	3½
Little Nipissing	Toronto M.	3,500	60½	60½	60½
Lion Hill	Boston Curb	700	52	50	52
Majestic Mines	Boston Curb	900	37	34	35
Mass Consolidated	Boston	400	3	2½	3

Stock.	Market.	Sales.	High.	Low.	Last.
May Day.....Salt Lake City		400	.07	.07	.07
Mayflower.....Boston		500	6	5½	5½
McIntyre.....Toronto Mine		1,575	2.30	2.00	2.25
McKinley-Dar.....Boston Curb		300	1.11-16	1.9-16	1.11-16
McKinley-Dar.....Toronto Mine		1,700	1.60	1.65	1.65
Mexican Metals.....Boston Curb		40,525	.65	.33	.54
Miami.....Boston		75	21¼	21	21¼
Michigan.....Boston		300	1	.95	1
Michigan-Utah.....Boston Curb		1,000	20	20	20
Mohawk.....Boston		95	45	44½	44½
Nevada Con.....Boston		281	14½	14	14½
Nevada Douglas.....Boston Curb		450	2	1½	1½
New Arcadian.....Boston		1,345	.90	.70	.70
Nipissing Mines.....Boston		400	9	8½	9
Nipissing Mines.....Montreal		50	8.00	8.00	8.00
Nipissing Mines.....Toronto		110	8.00	8.85	9.00
Nipissing Mines.....Toronto Mine		215	9.00	8.75	8.85½
Northern Crown.....Toronto		5	.86	.80	.85
North Butte.....Boston		5,531	25	23½	25
Ohio Copper.....Boston Curb		4,500	.67	.63	.65
Ojibway.....Boston		420	.60	.60	.60
Old Colony.....Boston		732	3¼	3	3.1-16
Old Dominion.....Boston		32	43½	42½	42½
Old Dom. tr. rets.....Bost. Curb		166	5	4	4
Oneco.....Boston Curb		200	.35	.35	.35
Ophir.....Toronto Mine		100	.03	.03	.03
Ophongo.....Salt Lake City		2,000	.02½	.02½	.02½
Osceola.....Boston		67	78	75	77½
Otis.....Toronto Mine		19,005	.01½	.01	.01
Pearl Lake.....Toronto		2,500	.34	.28	.34
Pearl Lake.....Toronto Mine		14,100	.34	.26	.32½
Peterson Lake.....Toronto Mine		14,900	.23½	.22½	.22½
Pitts. Silv. Peak.....Pittsburgh		8,000	.50	.40	.50
Plenarum.....Toronto Mine		800	.90	.90	.90
Pond Creek.....Boston		1,162	18½	16	17
Porcupine Gold.....Toronto Mine		11,700	11½	11½	11½
Porcupine Inap.....Toronto Mine		2,700	.02	.01½	.02
Porcupine North.....Boston Curb		50	.07	.07	.07
Pres. E. Dome.....Toronto Mine		1,750	.02½	.02½	.02½
Prince Con.....Salt Lake City		13,000	.30	.34	.34
Quincy M.....Boston		120	58	56½	57
Raven Cop.....Boston Curb		500	.13	.17	.17
Ray Con.....Boston		100	17½	16½	16½
Right of Way.....Toronto Mine		400	.02	.01	.02
Recheater.....Toronto Mine		300	.03½	.03	.03½
St. Mary's Copper L.....Boston		225	.35	.35	.35
Santa Fe.....Boston		125	13-16	1¼	1¼
San Toy.....Pittsburgh		4,000	.22	.21	.21
Seneca Mining.....Boston Curb		15	.27	.27	.27
Seneca Sup.....Toronto Mine		300	2.15	2.15	2.15
Shannon.....Boston		905	8	7	7½
Shattuck & Arizona.....Boston		65	24	23	23½
Sil. K. Coalition.....Salt Lake C.		1,000	3.35	3.32½	3.32½
Silver Leaf.....Toronto Mine		8,300	.03	.02½	.03
South Lake.....Boston Curb		190	4½	4½	4½
Stewart Mining.....Boston Curb		100	1¼	1¼	1¼
Superior Copper.....Boston		65	23½	22	23
Superior & Boston.....Boston		435	24	2	2
Swastika.....Toronto		200	.05½	.05½	.05½
Swastika.....Toronto Mine		12,100	.05½	.05½	.05½
Tamarack.....Boston		51	23	21	22
Temiskaming.....Toronto Mine		10,350	.35	.33½	.34
Temiskaming.....Toronto		500	.34½	.34½	.34½
Thompson-Quincy.....Salt Lake C.		500	.25	.25	.25
Tonopah Mining.....Boston Curb		100	4-16	4-16	4-16
Tonopah-Belmont.....Phila.		1,232	6¼	6-16	6¼
Tonopah Ext.....Pittsburgh		700	2.15	2.00	2.00
Tonopah of Nev.....Phila.		1,702	5¼	4-16	5-16
Triethwey.....Toronto Mine		1,100	.36½	.33½	.35
Trinity.....Boston		85	3¼	4-16	3½
Tuohimne.....Boston		475	2-16	1¼	1¼
Union Chief.....Salt Lake City		1,000	1½	1½	1½
United Fore.....Toronto Mine		1,000	.00½	.00½	.00½
United Verde.....Boston Curb		1,400	.68	.64	.64
U. S. Sm. & Ref.....Boston		756	36½	35½	36½
U. S. Sm. & Ref. pr.....Boston		615	47½	40½	47½
Utah Apex.....Boston		325	1½	1½	1½
Utah Consol.....Boston		637	7½	7	7½
Utah Copper.....Boston		150	42½	41½	41½
Utah Metal Min.....Boston Curb		1,050	1	.90	1
Victoria.....Boston		205	1	.95	1
Victoria Con.....Salt Lake City		2,100	.37	.35	.37
West Dome.....Toronto Mine		1,000	20	15	15
Wetlaufer.....Toronto Mine		4,700	13	11	12
Wolverine.....Boston		125	43½	44	44½
Wyandotte.....Boston		200	.75	.75	.75

Ⓢ=S. dividend.

# Crops

## Present Prospect for Fair Cereal Crop

### The Coming Fortnight Might Add Millions to the Value of the Grain Yield, or Bring Disaster

In about ten days the Government will publish the most important crop report of the year: that in which the condition on July 1 of the principal grains will be interpreted into prediction of final yield of these wealth-making crops. The July report is the most important because it gives the first dependable measure of the year's probabilities. The June report was of fields in which the young plants had just started growth. It told that the crops had got a good start. But June's growth brings them through a critical period. They are pretty well made by the first of July. Later they will grow further and ripen, but June is the month of making and unmaking of crops. Besides, our greatest crop, corn, is not reported on till July.

The July report is the basis of business men's opinion of the outlook for the year. Taking the prediction then, and watching weather development, perhaps, for a week or so, they know pretty well what will be the purchasing power of the cereal States on which they calculate the merchandizing possibilities of goods.

It is now pretty certain that the July report will show crop conditions a little less encouraging than the June predictions indicated. The predicted final yields, figured on the June conditions, were then as follows, compared with the big yields of 1912 and the short yields of 1911:

	1913. June 1 Prediction.	1912. Final Estimate.	1911. Final Estimate.
Winter wheat (bu.)	492,000,000	400,000,000	430,000,000
Spring wheat (bu.)	252,000,000	330,000,000	191,000,000
All wheat (bu.)	744,000,000	730,000,000	621,000,000
Oats (bu.)	1,104,000,000	1,418,000,000	922,000,000
Corn (bu.)	3,124,746,000	2,531,488,000	
Cotton (bales)	13,829,000	14,313,015	16,250,270

\*Unofficial estimate based on Government averages and private estimate of acreage.

### THE CROPS DAMAGED

Insufficient rainfall throughout important parts of the grain States has injured the cereal crops so that the early estimates will be considerably reduced, unless all reports are wrong. Take wheat, in which the June conditions gave promise of a combined Winter and Spring crop yield of 744,000,000 bushels. Expert estimates of Saturday brought this down to 685,000,000 bushels. The June deterioration in oats has been estimated as high as 30 per cent., which would bring the crop below 1,000,000,000 bushels. These are rather pessimistic estimates. Winter wheat is put at 470,000,000 bushels and Spring wheat at 215,000,000. Winter wheat has been hurt in Kansas, and drouth in South Dakota and Southern North Dakota have hurt the Spring wheat. Other authorities make the wheat crop very close to last year's figures.

The opinions of the grain trade seem to average on a crop about half way between last year's and that of 1911—just a fair, average crop—of the grains.

Much can happen in a fortnight. If a good rain should be reported, covering the western slopes of the Mississippi Valley and the Rocky Mountain approaches, it would bring up the wheat probabilities by a good 25,000,000 bushels. And it would mean many millions of bushels of corn. The latter crop is reported as somewhat retarded in certain parts, but as doing better nearly everywhere than the wheat. A week of rainless sunshine, accompanied by hot winds, could do enormous damage.

### SOME EXPERT OPINION

A crop report from Kansas says:

Secretary Coburn's crop report gives wheat condition June 21 at 62.87 per cent., the lowest at this season for ten years. Deficiency of rainfall and chinch bugs have cut estimated yield of two months ago by probably 40,000,000 bushels.

Corn is reported backward and needing rain. It is also injured by chinch bugs. Oats is retarded by same influences. An increased acreage and fine growth of alfalfa is reported.

Dr. George M. Chapple reports officially on the Iowa situation:

Excessively high temperature and bright sunshine prevailed until Friday, when light to heavy showers occurred in nearly all parts of the State. In some localities the showers were unusually heavy, while in others the amount of rainfall was only a trace. Over a strip about two counties wide, from Polk to Fremont Counties, and over Mahaska, Washington, Johnson, Linn, Iowa, Scott, and Clinton Counties, the amounts

ranged from one to more than three inches. The high temperature made corn grow rapidly, and the dry hot weather checked the tendency to rankness in small grain. The conditions were favorable for field work and corn fields are now generally clean, and much clover and alfalfa and some slough grass was put up in fine condition. The late rains will be of great benefit to all growing crops. The following is a summary of acreage of the staple crops as compared with last year: Oats, 99 per cent.; Spring wheat, 95 per cent.; Winter wheat, 102 per cent.; barley, 93 per cent.; rye, 94 per cent.; flax, 93 per cent.; tame hay, 90 per cent.; wild hay, 97 per cent.; alfalfa, 110 per cent.; pastures, 90 per cent.

James A. Patten is quoted from Chicago as saying:

Spring wheat crop is causing apprehension on account of deficiency in moisture. Corn is good. Oats show development below normal in Kansas, Missouri, and Illinois, while in Nebraska, Minnesota, and Wisconsin crop is normal.

The Government rain map shows a drouth area in the Dakotas, western Nebraska, Kansas, and southwestern Missouri. Minnesota appears to be doing well, also Indiana, Ohio, and Illinois. South Dakota seems to be most distressed. Crop experts from the important Exchange houses are touring the Dakotas. Characteristic reports within a few days have been as follows:

Oscar K. Lyle, former crop expert of the New York Produce Exchange, now representing S. B. Chapin & Co., wired on Saturday from Aberdeen, S. D.:

Half the acreage in Spring wheat in South Dakota is in distress. Brown County, wherein is Aberdeen, has the largest acreage. After touring fifty miles and meeting well-informed people my expectation for the county is an average yield of seven to eight bushels per acre. Recent good rains benefited much wheat. Was not over all the county. Wheat is heading and showing improvement, but my estimate is based on expected improvement. Some fields are badly hurt and will make but few bushels per acre. Some will only be cut in places. Durum wheat is not approximately hurt. All straw is short. Hay and oats are a light crop, but pastures are green. Spring County, adjoining Brown County and next in importance, is worse than Brown.

B. W. Snow, another well-known specialist, wired from Millbank, S. D., on Wednesday:

Motored from Jim River to Minnesota line. East half Jim River valley fully as bad as west. Eight counties are in burnt district, involving 1,000,000 acres. The average condition reported by these counties June 1 was 97. Their average is now lowered by fully 50 points. There is still some wheat in Brown and Sprink Counties that good rains at once would save for a fair yield, but it is going fast, being forced into heading at eight inches high. The area stricken is almost double that last year.

From Clark County east the situation is reversed. Stand is fair and crop green and vigorous. Much of it perfect in appearance. This includes the eight north-east counties, with little above a million acres, which will average at least 95 for condition. No drouth damage here, but ground is very dry clear to bottom of roots and plant would go to pieces with a few days of hot windy weather, while generous rains at once would almost insure big yields. At best the State will fall much short of last year.

John Ingalls, crop specialist, wired to Logan & Bryan of Chicago from Grand Forks, N. D., on Tuesday:

The general rain and cooler weather will be needed to insure a fair crop of wheat. Drying winds prevail, stools are scorching and crop is losing ground. Just started to rain slightly.

### COTTON DOING WELL

Although reports indicating differences of opinion about the cotton crop were current on the markets during the past week, the general opinion is that there is nothing to fear as to a shortage of that staple. An outturn of over 14,000,000 bales would not be a surprise.

### THE WEEK'S MARKETS

Both cotton and wheat have advanced in price during the week, the former mainly on technical market grounds, the latter because of the conditions in the Dakotas. The rise in wheat was not, however, as sharp as might have been expected from the alarming character of many reports. The fact that moderate rains had fallen, during the latter part of the week, in the drouth areas, gave hope of a change of conditions there.

Prices of the grains and cotton on the primary markets were as follows:

CHICAGO WHEAT.						
	—July.—		—Sept.—		—Dec.—	
	High.	Low.	High.	Low.	High.	Low.
June 23.....	91½	90¾	91½	90¾	94½	93½
June 24.....	91½	90¾	91½	90¾	93½	93
June 25.....	91	89¾	91½	90	93½	92½
June 26.....	91	90¼	91	90¼	93½	92½
June 27.....	91	90½	91½	90½	94	93
June 28.....	90½	90¾	91½	90¾	94½	93½
Week's range.....	91½	89¾	91½	90	94½	92½

CORN.						
	—July.—		—Sept.—		—Dec.—	
	High.	Low.	High.	Low.	High.	Low.
June 23.....	60½	59½	61½	60½	58½	57½
June 24.....	60	59½	61½	60½	58½	57½
June 25.....	60½	59½	61½	60½	58½	57½
June 26.....	60½	60½	61½	61½	58½	58½
June 27.....	62½	61½	63½	62½	60½	59½
June 28.....	62½	61½	63½	63	60½	60½
Week's range.....	62½	59½	63½	60½	61½	57½

### OATS.

	July.	—	—	Sept.	—	—	Dec.	—
	High.	Low.	High.	Low.	High.	Low.	High.	Low.
June 23.....	41½	40	41½	40½	42½	41½		
June 24.....	40½	39½	41½	40½	42½	41½		
June 25.....	40½	39½	41½	40½	42½	41½		
June 26.....	41	40½	42½	41½	43½	42½		
June 27.....	42	41½	43	42½	44½	43½		
June 28.....	42½	41½	43½	42½	44½	44		
Week's range.....	42½	39½	43½	40½	44½	41½		

### NEW YORK COTTON.

	Aug.	—	—	Oct.	—	—	Dec.	—	—	—	—	—	—
	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.	Low.	High.
June 23.....	11.94	11.88	11.47	11.39	11.47	11.38	11.51	11.43					
June 24.....	11.98	11.90	11.48	11.42	11.47	11.42	11.51	11.47					
June 25.....	11.11	11.02	11.61	11.49	11.61	11.50	11.64	11.56					
June 26.....	12.12	12.03	11.59	11.49	11.59	11.48	11.63	11.56					
June 27.....	12.02	11.93	11.51	11.44	11.51	11.43	11.54	11.48					
June 28.....	12.03	11.94	11.50	11.43	11.49	11.42	11.54	11.48					
Wk's rg. 12.12	11.50	11.61	11.39	11.61	11.38	11.64	11.43						

## A STUDY OF MARKETING

### Department of Agriculture Will Make a Thorough Study of Distribution of Products

The Department of Agriculture, through its Office of Markets, will shortly begin a thorough study of what happens to produce from the time it leaves the producer until it reaches the consumer. A specialist on marketing perishable produce will investigate prices received by producers, cost of transportation and storage, change of ownership, accumulated charges, profits, and other elements. This specialist will then study conditions in various sections to determine the feasibility of a market news service dealing with perishable products, and also the best method of making statistics of supply and demand useful to the farmer or truck gardener.

Other specialists will give attention to studying co-operative organizations of producers and consumers, including co-operative marketing associations of farmers and buyers, co-operative stores, &c. They will make intensive studies of typical communities dealing with special products, and will assist in the formation of new co-operative enterprises. An expert in co-operative accounting will assist such organizations to keep their books and records effectively, establish cost systems, and follow up methods of handling goods en route and on sale.

Co-operating with the other investigators will be specialists in transportation—men who have had as much railroad shipping experience as division freight agents—who will assist producers in securing proper freight rates, and will discuss questions of extending facilities, determination of rates, routing, and other matters concerned with the speedy and cheap moving of produce to centres of wholesale and retail demand.

Especially attention is to be given to the milling, marketing, and utilization of cottonseed. A specialist in this line will gather full information necessary for the successful organization and operation of oil mills by co-operating producers. He will also endeavor to find new uses and new applications for cottonseed and its manufactured products.

Other specialists thoroughly familiar with the marketing of cotton in Texas, Arkansas, and Oklahoma, and other cotton states will devote their attention to improving trade in cotton and devising improved methods of handling and selling cotton and seed cotton.

### The Cotton Crop

According to a bulletin issued by the Bureau of Census, the cotton crop for the United States in 1912 amounted to 14,313,015 bales of 500 pounds each, and was worth \$920,630,000.

The crop last year was 11.9% smaller than that of the previous year, but it was worth \$60,790,000 more than in 1911. This almost equals the banner year of 1910, when the crop was 2,397,327 bales less than in 1912, but was worth \$963,180,000. That was the most valuable cotton crop ever raised in this country. While 1910 led in value, 1911 led in amount, the crop that year being 16,250,276 bales. The cotton crop for the past four years has increased about 32%.

### Financial Publications

The 1913 Manual of Statistics and Stock Exchange Handbook is now in print. This is one of the most useful publications of the kind in this country, and certainly the most manageable. It does not grow unwieldy, and yet it contains the essential statistics of all properties listed on the principal Stock Exchanges, besides miscellaneous statistics, as of trade, money, crops, metals, banks, Governments, &c.—Published by the Manual of Statistics Company, New York.





